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Japan

Economic Reform Urged To Help U.S. Relations

OW1109045393 Tokyo NIHON KEIZAI SHIMBUN in Japanese 6 Sep 93 Morning Edition p 2—FOR OFFICIAL USE ONLY

[Editorial: "Japan Urged To Use Economic Reform To Improve Coordination With U.S."]

[Text] The Hosokawa administration will soon start trying to coordinate relations with the United States. Japan-U.S. comprehensive economic talks will start on 9 September and Japan- U.S. summit talks are due to begin on 27 September. Since both countries are seeking "changes," some people expect relations between the leaders to improve and that they will even call each other by their first names. However, it is also true that the growing trade imbalance has created a big gap in relations between Japan and the United States.

There is no doubt that with backing from Congress, which will have a mid-term election next year, the Clinton administration will once again make clear the importance it attaches to results. The Clinton administration has been relatively quiet during the summer, watching the Hosokawa administration take shape. On the other hand, there is a tendency in Japan to feel that the United States is to blame for the yen's appreciation, which is worsening economic stagnation in Japan. This tendency is linked to a sense of dislike [kenbei] of the United States. Although the comprehensive talks, a venue for improving coordination between Japan and the United States, are to start soon, differences of opinion over import target figures remain unsolved.

In such circumstances, the Hosokawa administration must make it clear it intends to promote coordination with the United States through reform of the Japanese economy.

The United States has managed to map out a route leading to a reduction of its financial deficit. It can be said that the Clinton administration has already come close to achieving one of the goals of Clintonomics, turning the U.S. economy around by reducing the financial deficit and lowering long-term interest rates. Perhaps now, the United States will say it is Japan's turn to make a move.

Political Leadership Needed To Get Out of Economic Recession

How we are to get out of the current economic recession, set to become the longest in the post-World War II era, is the starting point of Japanese economic change. Consumer spending is still sluggish due to slow growth in income. It is possible that consumers will lower the level of their consumption if they come to feel the danger of unemployment. There is a possibility that the "idea of simplicity" [shitsujitsu no shiso], which is fine as a concept for improving life-style, may act as an obstacle to economic recovery.

Slow domestic demand is linked to an expansion of Japan's current account surplus and the yen's appreciation. It is creating a vicious circle, called a business slowdown, among basic industries, including the auto, electrical machinery, and appliance manufacturers. Industrial circles have been unable to find merit in the strong yen, and the value of the yen in money markets has continued to grow to a level that is unacceptable to the basic industries. To stop this, Japan has no choice but to boldly change its economic structure to create a new economy, one led by domestic demand and which attaches importance to people's lives.

To deal successfully with the economic recession while changing Japan's economic structure, comprehensive and structural measures need to be made. As the pillars of its economic strategy, the Hosokawa administration is trying to ease regulations and pass on the benefit of the yen's rise to consumers. It would be wrong if the administration decided to act in this way because past comprehensive measures had come to a deadlock. It is unreasonable to try to overcome the economic recession with a plan which sets deregulation as a major pillar of its economic strategy.

Unless the administration stimulates domestic demand by introducing comprehensive measures, we are certain that bureaucrats and concerned industrial circles will strengthen their opposition to deregulation, which take away the rights and interests they already possess. The Hosokawa administration should aim to boost the synergistic effects of its action by adopting the right combination of comprehensive and structural measures.

As far as deregulation is concerned, it is also important to plunge the scalpel into not only the distribution and construction sectors, but also such areas as financing, agriculture, communications and transportation.

Some feel it entirely natural to have regulations in these areas, and we cannot expect a call for deregulation to come from sectors where people are used to regulation. Now is the time for each ministry and agency to become actively involved in the issue of deregulation. The same thing can be said of consumers and third parties. The Hosokawa administration must listen to the opinions of people in various sectors.

Turning to comprehensive measures, the government is expected to lower the official discount rate and to reduce income tax. Since the willingness of industry to invest is stagnant and as some still feel uncertain about the financial system, a cut in the official discount rate will be effective. There is no need to worry about a recurrence of the bubble economy because property values are continuing to drop. The Bank of Japan needs to increase the money supply as the aim of its financial measures.

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Now is also the time for the government to cut income tax, before it implements other measures in its fundamental tax system reform plan, which aims to revise the difference between direct an indirect taxes. Medium-term and comprehensive viewpoints may be important for reform of the tax system, but the thinking of top Tax Commission officials that rejects income tax cuts as an economic measure is too inflexible.

The important thing is to aim to change the Japanese economy under the leadership of politicians, not bureaucrats. As this year's white paper on the economy admits, bureaucrats made the wrong decisions when it came to the recent economic recession. The introduction of economic measures was forestalled because bureaucrats gave priority to implementing their narrow-minded logic of financial affairs. As a result, economic recession deepened.

Tax revenue has shrunk in the recession, however the drop in tax revenue will worsen if the government fails to implement financial and tax measures for recovery. The cost of bolstering the economy will become heavy if the government introduces only small measures after announcing the latest economic statistics. Among other things, comprehensive action on financial affairs, the tax system, money markets, and deregulation should be incorporated in economic measures to be announced by the Hosokawa administration later this month. The government has to present measures it can execute as soon as possible.

Common Values Needed To Prevent Differences Between Japan, U.S.

It would have been difficult to reach a agreement with the U.S. under the Miyazawa administration, which promised to "make a substantial cut in the current account surplus" only if stagnant domestic demand continued.

There is a possibility that the gap between Japan and the United States over individual issues will deepen if they fail to agree to comprehensive coordination. On comprehensive talks, for instance, Japan and the United States interpret differently the "objective criteria" designed to measure the degree of market liberalization. The United States sees them as "future goals" while Japan insists they are "reference data from the past." The Japanese Government needs to persuade the United States that bilateral trade should not become managed trade. At the same time, Japan also needs to continue efforts to liberalize markets, including government procurement.

It is thought that the post-Cold War world will enter a period of confrontation between capitalist nations. However, close observation tells us that the economic systems of Japan and the United States are growing closer. The strong "Japan Corporation," which carried the burden of post-war economic development on its shoulders, is arriving at a turning point. On the other hand, it seems that the Clinton administration, whose aim is to strengthen its competitive power in the international market, is trying to form a "U.S. Corporation" by strengthening cooperative ties with American companies.

The Hosokawa and Clinton administrations will probably find common values in the importance they attach to people's life-styles, free trade, and internationalism. We are certain that although there may be some friction, there will be no decisive gap between Japan and the United States as long as they continue to share such common values.

Plan Advocates 'Concrete Targets' To Cut Surplus

OW1209051193 Tokyo NIHON KEIZAI SHIMBUN in Japanese 11 Sep 93 Morning Edition p 5—FOR OFFICIAL USE ONLY

[Text] The government will study a plan to set concrete targets for Japan's efforts to reduce its current accounts surplus, which is continuously expanding. At the Japanese-U.S. comprehensive economic consultations and other talks, the government has so far maintained that "it is impossible to set numerical targets." However, the government has now judged that by demonstrating a more positive attitude toward reducing the current accounts surplus, Japan can dispel the misunderstanding that it takes a negative view toward reducing its current accounts surplus, and it can also ease the pressure of the yen's appreciation. A plan now under study says that concrete targets for efforts should be incorporated into a report to be compiled within this year by the Economic Reform Study Council (headed by Gaishi Hiraiwa, chairman of the Federation of Economic Organizations of Japan), an advisory panel to Prime Minister Morihiro Hosokawa. However, the government intends to make sure that the targets are guidelines for the government to manage economic issues, not an official commitment to foreign countries.

In talks on a framework for Japanese-U.S. comprehensive economic consultations, the United States demanded that Japan reduce its current accounts surplus to 1 to 2 percent of its gross domestic product (GDP). In opposing this demand, Japan maintained: "Making the commitment is impossible because the government cannot control external payments." After all, the two countries agreed to incorporate the following expression into the Japanese-U.S. joint statement on a framework for trade talks: "Japan intends to achieve over the medium term a highly significant decrease in its current accounts surplus."

There are growing voices in economic circles—including Masaru Hayami, chairman of the Japan Association of Corporate Executives, and Takeshi Nagano, president of the Japan Federation of Employers Association—that Japan should set targets for reducing its current accounts surplus. This led to the government view that Japan needs to voluntarily set targets for cutting its current accounts surplus. The government has judged that its traditional policy cannot put the brakes on the current tendency toward the appreciation of the yen. Japan's repeated refusal to set surplus-reducing targets during the Japanese-U.S. talks has caused speculation on foreign exchange markets that "the trade imbalance can be corrected only through an exchange rate adjustment." Therefore, the yen is appreciating on foreign exchange markets.

Tsutomu Hata, concurrently deputy prime minister and foreign minister, said on 10 September: "It is possible to discuss the idea of setting surplus-reducing targets." Moreover, a senior official at the Ministry of International Trade and Industry has pointed out: "It is advisable to discuss (as a target for reducing Japan's current accounts surplus)." In addition, there is a view that "it is possible to give a certain flexibility" to surplus-reducing targets (as stated by a top Foreign Ministry official).

It is expected that the Economic Reform Study Council, which was formed this month, will study in concrete terms the setting of surplus-reducing targets. There is an idea that surplus-reducing targets should serve as one of guidelines for promoting the structural reform of the Japanese economy on a medium-term basis. In that case, the government intends to draw a clear line between a surplus-reducing target and an international commitment. The government notes that "efforts for targets or prospects indicated by the government are different in their nature from commitments made in documents on agreements with foreign countries" (according to a senior Foreign Ministry official).

However, there is a deep-rooted argument against the introduction of surplus-reducing targets for the reason that "at Japanese-U.S. talks, the United States will inevitably put growing pressure on Japan to regard the targets as agreements between the two countries" (as stated by a Finance Ministry official). There is also concern that the setting of surplus-reducing targets may have an adverse effect on negotiations with the United States on each sector—for example, government procurement—in the Japanese-U.S. comprehensive economic consultations. Therefore, it is not known whether the surplus-reducing targets now under study actually will be introduced.

Plan 'Firmed' for U.S. Automobile, Parts Talks

OW1209140193 Tokyo NIHON KEIZAI SHIMBUN in Japanese 12 Sep 93 Morning Edition p 3—FOR OFFICIAL USE ONLY

[Text] The Ministry of International Trade and Industry [MITI] has firmed up a negotiating plan for the Japan-U.S. vice ministerial talks on "automobiles and auto parts," which will begin on 21 September. In the upcoming talks, Washington is expected to reiterate its demand that Tokyo work out plans to procure U.S.-made auto parts in and after fiscal 1995. Tokyo intends not to comply with this demand because of fear that "if Japan sets up specific figures for the procurement, only the figures will be emphasized and they will be taken as Japan's pledge." Instead, it will indicate an intention to establish a business talk body [shodan-kai] to work out measures to increase sales of U.S.-made cars in the Japanese market. With this, Tokyo hopes to win U.S. understanding.

In a meeting held in Washington on 10 September, top officials of the Governments of Japan and the United States decided to hold vice ministerial talks in Hawaii on 21 and 22 September to discuss U.S. exports of "automobiles and auto parts" to Japan. The auto trade is one of high priority areas specified in the framework accord. At the meeting held between former MITI Minister Yoshiro Mori and U.S. Secretary of Commerce Ronald Brown in March, the United States demanded that Japan extend the target of "procuring U.S.-made auto parts worth $19 billion in fiscal 1994" to fiscal 1995 and after. Tokyo had indicated this target at the Japan-U.S. summit in January 1992. It is possible that Washington will reiterate this demand in the talks in Hawaii.

MITI plans to give the following reasons for not complying with the U.S. call to negotiate the issue of setting up new targets: 1) the target shown in the U.S. parts procuring plan for fiscal 1994 was originally set up to alleviate trade friction, and it is effective only in fiscal 1994; and 2) the government cannot persuade domestic manufacturers, which are suffering from business slump, to accept numerical targets. Instead, it will indicate an intention to work to facilitate exports of U.S.-made cars by taking such occasions as import fairs.

Meanwhile, a U.S. survey has predicted that the U.S. deficit with Japan in auto parts trade will gradually decrease from now on. Because of this, some people believe that Washington will not press Japan to extend the 1994 procurement plan to fiscal 1995 and after in the upcoming talks.

Survey: Low Public Support for Electoral System

OW1209064893 Tokyo MAINICHI SHIMBUN in Japanese 12 Sep 93 Morning Edition—FOR OFFICIAL USE ONLY

[Received via Nikkei Telecom Database]

[Text] According to a MAINICHI SHIMBUN nationwide opinion poll conducted 3-5 September, a third of respondents approve of the introduction of an electoral system combining single-seat constituencies with proportional representation [known as the Heiritsu system], while more than 50 percent said they could not make up their minds on the issue. Both the ruling coalition and the Liberal Democratic Party have pledged to introduce variations of this basic system, though the public is struggling to understand it.

Actual poll figures show that 34 percent favor the Heiritsu system, 10 percent oppose it, and 53 percent are undecided. The same questions were asked in a September, 1990 survey, when the recommendation to adopt the Heiritsu system was submitted to the then Kaifu cabinet by the eighth electoral system council. Comparing the results of the two surveys, it seems that those favoring the system have increased by seven percentage points, while those opposing it have dropped by eight percentage points. The numbers of those undecided rose by five percentage points.

* Sakigake's Takemura Profiled

932B0191A Tokyo NIKKEI BUSINESS in Japanese 2 Aug 93 pp 66-69—FOR OFFICIAL USE ONLY

[Article by Akira Nagatsuma profiling Masayoshi Takemura, leader of Sakigake: "With an Eye to Ideals, He Never Misses a Chance; He Holds a Key to the 'Pioneering Work' in a Turbulent Age"]

[Text] *He stands out above others in the teeth of political confusion as shown when he became mayor of Yokaichi City, governor of Shiga Prefecture, and head of the new Sakigake [Harbinger] party. He anguishes over gaps between lofty ideals and realities and grasps the chance of breaking the status quo amid his refusal to live in ease. "Takemura in a turbulent age" is going to be tested in the midst of unprecedented political confusion called the collapse of the 1955 political system.*

The general outcome of the 40th general election became evident in the dead of night on 18 July, telling an end to the one-party rule by the Liberal Democratic Party [LDP]. The following is a scene at the "Sakigake new party" headquarters, which was hurriedly set up by remodeling a dance studio in Toranomon, Tokyo. At a report that 13 authorized candidates—three more than the number of the party members when the Diet had been dissolved—have been elected, the leader Masayoshi Takemura does not conceal his smile, saying that "this is an exceptional outcome."

Takemura himself has became the top winner in the Shiga Prefecture constituency by gaining over 210,000 votes. His huge body resembling Mumin Papa [name of a father bear in a comic strip]—he is 180 centimeters tall and weighs 100 kilograms—shakes with excitement. He says, "The way I chose was not bad."

He Topples Corrupt Nozaki Administration in Shiga Prefecture, Becomes Governor at 40, Youngest in Nation

Crossing Takemura's mind was a scene of him signing a notice of secession from the LDP just one month ago. On 16 June, two days before the lower house dissolution, 10 like-minded fellows, including Takemura, signed the notice one after another in a Tokyo hotel room. On 21 June, the 10 fellows founded Sakigake, holding up the resolute execution of political reform as its goal.

In the fall of last year when the situation was shaky due to the Kanemaru incident, it is said that Takemura keenly felt his powerlessness in political cleanup and "agonized seriously as to whether he should resign as a Diet member prior to the upcoming election." His colleagues said to him that, "if that is how you feel, we will join in your action," and, encouraged by this remark, he gradually firmed up his determination to secede from the party.

On 13 June, a final meeting was held between Prime Minister Miyazawa and LDP Secretary General Kajiyama at Miyazawa's private residence to decide the direction of political reform. Before the meeting, Takemura made a direct appeal to Miyazawa, handing him a memorandum that described the point to be made at the meeting. The substance of the memorandum was "an extension of the Diet session to grope for a compromise plan with the opposition parties over the election system." On the day of the Miyazawa-Kajiyama meeting, at the home of the chairman of his supporters' association in Shiga Prefecture, Takemura was waiting anxiously for a report on the details of the meeting. When he learned that Miyazawa failed to push his way through, Takemura in his heart felt something cutting him loose from bondage.

Takemura was in the center of practical work for political reform, holding a key post as director of the Secretariat of the LDP Political Reform Promotion Headquarters, an exceptional post for a second-term Diet member. All the more because of this central post, he reached the end of his endurance at the sight of the prime minister unable to show leadership and of the LDP incompetent to decide anything.

Takemura's passion for political reform is nothing new. In 1988 when, prompted by the Recruit scandal, arguments for political reform increased, the "Utopia Political Research Society" was organized with young Diet members as its central force. The society began its action by disclosing its political funds to the public and announcing its fundamentals for political reform. Of 10 members which Sakigake had when it was inaugurated, as many as nine had been Utopia members.

What touched off the formation of Utopia were Takemura's words. At a session of the LDP Diet Affairs Committee, Takemura raised a hand and made the following remark: "The Recruit scandal called the LDP's fundamentals into question. As we happened to be still in our first term, no temptation was extended toward us, and so we were not involved; however, sooner or later, we will get involved in such an incident. This misfortune today could fall upon us tomorrow. We should tackle this issue by setting up an organ to thoroughly inquire into the way Japan's politics should be."

After the meeting closed, Asahiko Mihara (Sakigake member at present), Yukio Hatoyama (Sakigake member at present), and Tsuneo Suzuki (LDP member at present)—all of them first-term lawmakers—gathered in Takemura's room. There were also encouraging phone calls from several Diet members, and those fellows formed the parent body of Utopia. Takemura gives a shy laugh, saying that "we wanted to leave our young, fresh feelings" to the name of Utopia.

Takemura has thus far stood out above others when there is political confusion. In 1974, he became the youngest governor in the nation by being elected as governor of Shiga Prefecture at the age of 40. This was possible because prefectural residents entertained the hope that he would root out collusion between Governor Kinichiro Nozaki, called a "dark fog of the Shiga Prefectural administration," and Ueda Construction Co., a local firm.

At that time, in a bid to topple Nozaki's corrupt prefectural administration, opposition parties and labor unions began to choose their candidate. However, Nozaki's personal connections were so tight and powerful that the prefectural government was even called the Nozaki palace, and no one dared to challenge him. They sounded out several bureaucrats and men of the mass media as to whether they would stand as a candidate, but they failed to get favorable answers.

At such a time, Hachiro Nishida, then chairman of the Shiga Prefectural Federation of the Democratic Socialist Party [DSP], dropped a word, saying that "there is an interesting man who is now mayor of Yokaichi City," and at this one remark, Takemura was singled out. Nishida says: "He became a mayor at an early age and made an ours-is-a-bicycle-city declaration, and all this made me think that he was a unique man."

Takemura was then still in his first term as mayor, but he made up his mind to run for the governorship because four labor organizations (the present Rengo), the Japan Socialist Party, Komeito, the Democratic Socialist Party, and the Communist Party decided to give their united support. Takemura says that "I decided to fight even if I had to fight in an unfavorable situation, because I could not tolerate political corruption."

On the day before voting, confusion developed for a time in which campaigners of the two camps were about to scuffle in front of Otsu Railway Station. On that night, Takemura could not stop shivering with the fear that he might lose in the election. However, the result was that he won by a narrow margin of 8,000 votes by garnering a ballot of over 250,000.

Soon after his inauguration, he caused a ripple even in the central government by deciding to reconsider the "Lake Biwa comprehensive development" plan because of environmental questions. He returned the subsidy for the project, and the Construction Ministry, which had lost face, stood against Takemura's prefectural administration. The anti-Takemura camp of the LDP chapter in Shiga Prefecture criticized that "all public projects in the prefecture have been delayed because Takemura quarreled with the Construction Ministry."

During his governorship, keenly realizing the need to decentralize power, Takemura formulated two acts which have become famous nationally as well. They are: the "Scenery Act" which provides for prefecture-wide color, height, and structure standards regarding scenery-affecting buildings and the "Soap Act" which bans the use and sale of phosphorated synthetic detergents in areas around Lake Biwa.

On the other hand, his friendly appearance and gentle manner earned him great popularity among female workers in the prefectural government, bringing him the pet name of Mumin Papa. The governor's room was called the "Mumin's Room" and filled with stuffed dolls.

He Runs for Lower House as Conservative Independent; Denounced as "Betrayer" by Opposition Parties, Labor Groups

Before his third term as governor came to a close, Takemura considered running for the lower house. Because of the retirement of Nishida from the lower house, the DSP asked Takemura to run as his successor. He refused the offer, saying, "It is impossible to seize power as long as one remains in an opposition party. One can execute politics only when one seizes the reins of government." He declared his candidacy as a conservative independent, and received the LDP's official endorsement four days before the voting date. He thus won in the election.

"Betrayer"—this is what some people call Takemura. There was a criticism among opposition parties and labor organizations that "he has deserted us to become a Diet member despite of our support by the sweat of the brow for his birth as governor." In his recent secession from the LDP as well, even many leaders of his supporters' association felt embarrassed when they learned of it almost at the same time as it was reported on television.

A politician's conversion of positions brings about confusion around him. Seizing a new chance amounts to forsaking the past. Some people are thus displeased with Takemura, feeling that they were forsaken and used as a stepping-stone for his success in the world.

Takemura is aware that his fast change of positions causes confusion around him. However, a desire for self-realization through moves toward ideals prevails in him. Takemura can forsake his past and snatch at a chance quickly, and we may say that this is because he always anguishes over the great gaps between lofty ideals and realities and because he does not easily assimilate himself with the logic of organizations he belongs to.

From Nagoya University Technology Department to Tokyo University Education, Economics Departments; Dentist Wife Bolsters Him in 10 Years of Wandering

Takemura's youth was a continuity of wandering. Advised by people around him that "it will be the era of technology from now," he entered the Department of Technology of Nagoya University. However, he deeply agonized over the question of whether the field of technology really represented the path he should follow for life. So he began to lead a ascetic life at Eigen Temple

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in Shiga Prefecture. While mulling over his future course for one year, he gradually increased his interest in the questions of environment and health. He thus decided to enroll into the Education Department of Tokyo University. After graduating from the department in two years, he worked for the Tokyo University Newspaper Research Institute. Afterwards, he was temporarily employed by the Tokyo Metropolitan Government's Bureau of Transportation, but he soon left his employment there and enrolled into the Economics Department of Tokyo University. All this was indeed what Takemura called the "wandering of youth."

Former Ueno Zoo curator Kazuharu Tashiro entered Nagoya University simultaneously with Takemura and moved to Tokyo University one year behind him. He shared the same dormitory with Takemura at both Nagoya and Tokyo Universities. Tashiro says: "Takemura got up early in the morning and went to bed early in the evening. He managed to study and work part-time in a well-planned manner. But for the influence of Takemura who always worked hard with his eyes toward something loftier, I would not have moved to Tokyo University."

Takemura entered the Ministry of Home Affairs in 1962. At last, he launched upon his career as a member of society. It seems to be about that time that he began to realize, though vaguely, his future as a politician. He said to people around him that "the Ministry of Home Affairs is good for prospective politicians." What bolstered Takemura in his 10 years of wandering was his wife, a dentist, whom he married during their school days. When he entered the ministry, Takemura was a 27-year-old new bureaucrat with one child.

Takemura's orientation toward reform can be perceived in his New Year's card that he sent on New Year's Day of 1963 at the age of 28 when he was on duty in Aichi Prefecture through a temporary transfer. The card reads: "My impression in the first year of serving with a local administration is that conscience and vision within the organization are unexpectedly vain and have little influence. I think that the gap in the sense of management is too large between the private enterprises, which are run through by the principle of competition, and the domain of the government, which lives in ease in the name of public interest."

Making a great turning point in the life of Takemura was his study in Germany to learn city policies in his second year with the ministry. He confides: "When I saw the beautiful streets in Germany, I was shocked at their differences from those in Japan, a country equally defeated in the war. A wild desire to immediately become a mayor and devote full efforts to town-building began suddenly to raise its head."

Ryoin Horii, a friend of Takemura's from their days days at the Education Department of Tokyo University and executive director of the NHK [Japan Broadcasting Corporation] Culture Center, advised him that "it would be better to contain your desire to run for the election until you become vice minister at the Ministry of Home Affairs," but Takemura did not back down, saying, "I should jump out while I am young without taking gradual steps. The makings of a leader in a man do not manifest themselves of their own accord simply because he ages."

As Saitama Prefectural Government's Local Section Chief, He Jumps in Yokaichi City [Shiga Prefecture] Mayoral Election; Major Local Chiefs in Saitama Prefecture Come to His Aid Every Day

Putting an end to his temporary transfer in which he served as chief of the Local Section of the Saitama Prefectural Government, Takemura ran for the mayoral election in Yokaichi City, his hometown. The Takemura family is a wealthy clan in Yokaichi City, and his father served as a village assembly member. In those days, whenever a mayoral election was held in Yokaichi City, its lack of excitement became the topic of conversation in the prefecture.

During the election, the Association of Cities, Towns, and Villages in Saitama Prefecture reached an agreement to support Takemura, and major local chiefs in Saitama Prefecture came to Yokaichi City every day in turns to aid Takemura. Tadao Shinozuka, who was then chief of Otone town office says: "I helped him for four full days. I did so because I was attracted to him who looked to us in his work rather than following the directions of the central authorities." It is exceptional for local leaders to help en masse in a mayoral election held outside of their prefecture. The result was that he garnered about 10,000 votes and won the election by a margin of a little less than 2,000. A 36-year-old mayor was thus born.

Takemura says that "election is scientific." He makes a detailed independent study of his constituency and works out prudent strategies. As a consequence, Takemura has never suffered defeat in any election.

During the Yokaichi City mayoral election, Naoaki Ibuki, then chief of the Tourist Section of the Shiga Prefectural Government, suddenly received a letter from Takemura, an utter stranger to him. After commenting about his candidacy for mayor, Takemura concluded the letter by saying, "Please oblige me with your help." After a little while, Ibuki received several telephone calls from Takemura's aide and was asked to give information on the situation in the prefecture, including Yokaichi City. He remembers that he furnished explanations in response to the request. Ibuki says that "It seems that I was chosen for that job as a source of information because I was a worker at the prefectural government and a native of Yokaichi City." Ibuki won a seat in the prefectural assembly in the year after Takemura's election to the governorship. At present, he is the leader of Takemura's followers in the prefectural assembly who joined Takemura in the act of seceding from the LDP.

Takemura's candidacy for governor also seemed to be a reckless act in the eyes of the people around him.

However, he made the decision to run after sensing favorable prospects through a survey of public opinion in the prefecture which he entrusted to a friend of his at the Tokyo University Newspaper Research Institute to which Takemura himself once belonged.

Kakuei Tanaka, Too, Gives Due Respect to His Policymaking Ability; He Lays Foundation of "Japanese Archipelago Remodeling Theory"

Takemura also showed great policymaking ability for which even a man of influence gave him due respect. During his service with the Ministry of Home Affairs, after returning home from Germany, he wrote an essay entitled, "The Possibility of Balanced Development in the Japanese Archipelago." Its substance was an argument that efforts should be made to decentralize power and enhance local independence by improving the traffic network.

This essay caught the eye of Kakuei Tanaka, and Tanaka called Takemura to his office. At a request to "explain in 15 minutes," Takemura, who was then only 31, gave his explanations in stress. From that day, Takemura cooperated in formulating the LDP's Outline of City Policies at the instruction of Tanaka. This later became the basis for the "Japanese Archipelago Remodeling Theory."

There was also an event in which he made Tanaka say that "I have never seen a guy as stubborn as you." Shortly after Takemura was installed as governor, facts of collusion between Ueda Construction Co. and the former governor were revealed. The prefecture's land development corporation had purchased land from Ueda Construction at an exorbitant price of nearly 10 times the appraised value.

Takemura said that he would allow the contract to be signed again only if Ueda Construction changed the price to the level of the appraised value, and he negotiated under this policy. His negotiating partner was Tanaka, who had great influence on Ueda Construction. They met after a long time, but this time he was meeting Tanaka as a tough negotiating partner. He did not easily consent to lowering the price to the appraised value. However, Takemura called time and time again for direct negotiations at Tanaka's residence and finally managed to reach a contract in which the appraised value was adopted.

Once an objective is set, he works thoroughly until it is carried out, and this tenacity is also a distinctive characteristic. At the same time, he has a quality that earns him the affection of the men of influence.

Now, concerning his association with businessmen, Yoshiaki Tsutsumi, chairman of Seibu Railway Co. and a native of Shiga Prefecture, is one of his supporters. Yoshihiko Miyauchi, president of Orix Corp., is the only businessman participating in the "System Reform Research Forum," represented by Takemura and run by suprapartisan young lawmakers. Miyauchi is giving advice on various matters including financial system reform. Despite his secession from the LDP, some local engineering and construction enterprises benefiting from the Lake Biwa development project continue to support him in consideration of their association with him since his governorship.

Morihiro Hosokawa (leader of the Japan New Party) was his fellow governor with whom Takemura discussed new politics. When they met in Tokyo in March this year, Takemura also brought forward the question of a new party.

In the future, Sakigake and the Japan New Party are expected to form a united group in the Diet, thereby enabling them to exercise a casting vote in the turbulent political world. How will he fulfill his first great role as head of a party? He should hold up loftier ideals than before and fight at the risk of his political life. It is also a matter requiring consideration not to antagonize those whom he deserted through his conversion of positions on several occasions.

However, he is not the kind of person who will cling to Sakigake all his life. Takemura says: "A man's life itself is a path of wandering. Goethe said that 'man errs as long as he strives.' As this word indicates, we cannot attain full spiritual enlightenment. Such is the most humane way of living, is it not?" He is, anyway, a man who cannot attain full spiritual enlightenment, and there is no knowing what he will do next as such a man. This riskiness is the real essence of Takemura, "an actor in a turbulent age."

[Box, p 67]

Masayoshi Takemura: Born on 26 August 1934 in Yokaichi City in Shiga Prefecture, aged 58.

Entered the Department of Technology of Nagoya University in 1952, enrolled in the Education Department of Tokyo University in 1955, graduated in economics from Tokyo University in 1962, entered the Ministry of Home Affairs (appointed to a senior post).

Put an end to his life as a bureaucrat by leaving his post as chief of the Local Section of the Saitama Prefectural Government in 1970.

Became mayor of Yokaichi City in 1971, governor of Shiga Prefecture in 1974 (served for three terms), elected for the first time to the House of Representatives from the Shiga Prefectural district in 1986, belonged to the LDP's Abe faction (the present Mitsuzuka faction).

Seceded from the LDP in 1993 and formed the Sakigake; inaugurated as its head.

JA Zenchu Views Agricultural Policy Issues

932A0295A Tokyo NOGYO KYODO KUMIAI in Japanese Jul 93 pp 20-33—FOR OFFICIAL USE ONLY

[Article by JA Zenchu (Japan Agriculture Cooperative Group): "Five Questions and Answers on Major Agricultural Policy Issues"]

VIII

FOREIGN
BROADCAST
INFORMATION
SERVICE

Daily Report

East Asia

FBIS-EAS-93-175
Monday
13 September 1993

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Daily Report
East Asia

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Japan

Hata Leaves for Middle East Treaty Ceremony

OW1209040793 Tokyo KYODO in English 0342 GMT 12 Sep 93

[Text] Tokyo, Sept. 12 KYODO—Foreign Minister Tsutomu Hata left Sunday [12 September] for Washington to attend Monday's signing ceremony for the historic self-rule agreement between Israel and the Palestine Liberation Organization (PLO).

Hata is going to the United States at the invitation of President Bill Clinton, Foreign Ministry officials said. He will confer with U.S. Secretary of State Warren Christopher and other foreign leaders.

Meets With U.S Secretary of State

OW1309010493 Tokyo KYODO in English 0027 GMT 13 Sep 93

[Text] Washington, Sept. 12 KYODO—Japanese Foreign Minister Tsutomu Hata on Sunday [12 September] met U.S. Secretary of State Warren Christopher and discussed bilateral economic relations and the Middle East peace problem, Japanese officials said.

After the talks, Hata, also deputy prime minister, told reporters, "we discussed various aspects concerning Japan-U.S. economic relations. I explained about the Japanese Government dealing with deregulation programs."

On aid for Palestinian rehabilitation projects, Hata stressed the importance of bilateral cooperation between Japan and the United States but he did not specify what financial support Japan will provide. No other details of the talks were immediately available.

Hata hurriedly flew into Washington to attend a historic signing ceremony Monday of an agreement on Palestinian self-rule of the Gaza Strip and the West Bank town of Jericho at the invitation of U.S. President Bill Clinton. Hata is the first Japanese leader to meet Christopher since the government of Prime Minister Morihiro Hosokawa was inaugurated in early August.

Confirms Palestinian Aid Plans

OW1309035293 Tokyo KYODO in English 0336 GMT 13 Sep 93

[Text] Washington, Sept. 12 KYODO—Japanese Foreign Minister Tsutomu Hata and U.S. Secretary of State Warren Christopher confirmed Sunday [12 September] Japan and the United States would cooperate on aid to Palestinian rehabilitation projects through the World Bank.

Hata, also deputy prime minister, stressed that Japan intends to contribute positively to the projects, saying it is important that Tokyo cooperate with each of the nations involved in approaching the problem. He did not, however, specify what kind of financial support Japan would extend.

Hata, in Washington for the signing of a declaration on Palestinian autonomy in part of the Israeli-occupied territories, met Christopher to discuss bilateral economic relations and the Middle East peace problem.

After the talks, Hata told reporters, "we discussed various aspects concerning Japan-U.S. economic relations. I explained how the Japanese Government is dealing with deregulation programs."

Hata also told Christopher that the Japanese Government is considering another set of economic stimulus measures, including ways to take advantage of the yen's increase in value.

Christopher stressed during the meeting that the peace agreement between Israel and the Palestine Liberation Organization (PLO) should not be allowed to fail, adding considerable financial support will be necessary. He also said Washington is carefully watching developments in the political and economic arenas in Japan since the cabinet of Prime Minister Morihiro Hosokawa took power, with an eye on efforts to open Japanese markets.

Hata told Christopher that the Hosokawa government hopes to have a political reforms bill completed by the end of the year.

The government is also making efforts to correct the bilateral trade imbalance through stimulating the domestic economy through deregulation and the management of the yen's rise, he said.

Christopher said the Clinton administration hopes to stage a successful conference of ministers from the Asia-Pacific Economic Cooperation (APEC) forum in Seattle in November . In reply, Hata hailed President Bill Clinton's Asia policies as "very courageous."

Hata hurriedly flew to Washington at Clinton's invitation to attend a historic signing ceremony Monday of an agreement on Palestinian self-rule in the Gaza Strip and the West Bank town of Jericho. Hata is the first Japanese leader to meet Christopher since the government of Hosokawa was inaugurated in early August.

Tokyo To Consult Others on Aid

OW1309092993 Tokyo KYODO in English 0903 GMT 13 Sep 93

[Text] Tokyo, Sept. 13 KYODO—Japan will consult with other countries on how best to provide financial assistance to Palestine once it achieves self-rule, Chief Cabinet Secretary Masayoshi takemura said Monday [13 September].

Takemura told a news conference that international assistance will be necessary after Israel and the Palestine Liberation Organization (PLO) reach an historic accord on mutual recognition. He said international discussion on aid has just begun and that only now has Japan begun to study its position.

Earlier Monday, government sources said Tokyo will specify its areas of contribution, the fund scale and other details at international financial gatherings scheduled in Washington late this month.

The gatherings include finance ministers and central bank presidents of the Group of Seven major industrialized nations, and the regular conference of the International Monetary Fund and the World Bank.

The Japanese Government is to spell out the aid in line with a commitment by Foreign Minister Tsutomu Hata to U.S. Secretary of State Warren Christopher in Washington, the sources said. Hata is in Washington to attend Monday's signing there of the pact between Israel and the PLO on Palestinian self-rule in the Israeli-occupied territories of Gaza and the West Bank.

Japan is unlikely to rush into giving details of its planned aid because the Foreign Ministry is concerned about premature financial promises when "official multilateral discussions have not yet been conducted," according to a ministry source.

The World Bank on Sunday estimated that 5.5 billion dollars—3 billion dollars in public funds and 2.5 billion dollars in private- sector funds—are necessary to reconstruct the Gaza Strip and the West Bank.

Prime Minister Morihiro Hosokawa told reporters at his official residence on Monday that Japan should give "appropriate" aid for reconstruction in the PLO territories. "I think you have to consider what is appropriate in the light of our obligations, not just the substance (of the aid)," Hosokawa said.

Vice Foreign Minister Kunihiko Saito also told reporters Japan will make "an appropriate contribution."

Saito refused to specify an amount, but said a suggested sum equal to 12.45 percent of the country's contribution to the United Nations was "no more than one criterion" under consideration, leaving open the possibility the government is prepared to give more.

Saito also said the government is trying to decide whether to channel the aid through the U.N. or give it directly to the recipients.

Concern About 'Premature' Promises

OW1309063093 Tokyo KYODO in English 0605 GMT 13 Sep 93

[Text] Tokyo, Sept. 13 KYODO—Japan is to speed up its studies on assistance to Palestine to prepare details through global financial conferences late this month, government sources said Monday [13 September].

The government will specify Japan's areas of contribution, the fund scale and other details in line with a commitment promised by Foreign Minister Tsutomu Hata to U.S. Secretary of State Warren Christopher in Washington, the sources said.

Hata is to attend the signing there of a mutual recognition pact between Israel and the Palestine Liberation Organization. But Japan is unlikely to immediately spell out the aid amount as the Foreign Ministry is concerned about premature financial promises when "official multilateral discussions are not yet conducted," said a ministry source.

Against this backdrop, the sources said Japan is to promise its share of aid after probing the framework of multilateral aid through international financial gatherings scheduled in Washington late this month.

The gatherings include finance ministers and central bankers of the Group of Seven major industrialized nations, and the regular conference of the International Monetary Fund and the World Bank.

The World Bank announced on Sunday its estimates that 5.5 billion dollars—3 billion dollars in public funds and 2.5 billion dollars in private-sector funds—are necessary to reconstruct the Gaza Strip and the West Bank.

The European Community is also stepping up its aid moves as it has announced plans to earmark about 590 million dollars for reconstruction over the next five years.

Meanwhile, for the current fiscal year, Japan has already decided to contribute 12 million dollars through international bodies and to allocate 3 million dollars to help improve Palestinian living conditions.

As for contribution areas, the sources said Japan can pay expenses for transferring administrative rights in the short term and finance projects to preserve the environment and desalinate sea water.

Hata Shows 'Positive Attitude' Toward Targets

OW1309045193 Tokyo KYODO in English 0406 GMT 13 Sep 93

[Text] Washington, Sept. 12 KYODO—Japan's Foreign Minister Tsutomu Hata showed a positive attitude Sunday [12 September] toward setting a numerical target for boosting Japan's imports from the United States. Hata made the remark to reporters in reference to efforts to cut Japan's huge trade surplus with the U.S.

"It is a good idea" for Japan, he said, to try to enhance imports from the U.S. "by bearing in mind a reasonable target for each other."

Hata was invited to Washington to attend Monday's signing of a the historic agreement between Israel and the Palestine Liberation Organization (PLO) for Palestinian self-rule in parts of the Israeli-occupied territories.

The foreign minister said Japan has been doing much to reduce the surplus but is not yet sure about the results. "We have to do something that will show results," he said.

Hata said, however, that his remarks were made as a general opinion and were not meant to influence ongoing Japan-U.S. trade talks. He stressed that Japan "can't do anything if terms like 'sanctions' or 'bilateral promises' come up" in the trade talks.

Takemura Rejects Setting Import Targets

OW1309083793 Tokyo KYODO in English 0829 GMT 13 Sep 93

[Text] Tokyo, Sept. 13 KYODO—Chief Cabinet Secretary Masayoshi Takemura denied Monday [13 September] that Japan plans to hammer out a new policy to tackle its huge trade surplus with the United States.

Takemura told a news conference that the cabinet of Prime Minister Morihiro Hosokawa do not plan to set macroeconomic targets on any basis. He was referring to Foreign Minister Tsutomu Hata's comments favoring targets to reduce the surplus.

Hata, in Washington to attend the signing of a historic peace agreement between Israel and the Palestine Liberation Organization, told reporters "it is a good idea" for Japan to try to enhance imports from the U.S."by bearing in mind a reasonable target for each other." Last week, Hata also indicated he favors numerical targets.

Earlier in the day, Hosokawa pointed to the need for Japan to consider changing its economic structure.

Takemura said Washington has great interest in seeing when and how Japan's surplus would decrease. He said Hosokawa also treats the issue with equal importance but denied the government will hammer out a new policy.

Hosokawa Hints at Studying Trade Targets

OW1309060493 Tokyo KYODO in English 0541 GMT 13 Sep 93

[Text] Tokyo, Sept. 13 KYODO—Prime Minister Morihiro Hosokawa said Monday [13 September] it may be necessary to "study" setting numerical trade targets as demanded by the United States to help rectify the bilateral trade imbalance. Hosokawa was responding to reporters about remarks by Foreign Minister Tsutomu Hata favoring setting such targets.

Hata told reporters in Washington on Sunday that it is "a good idea" for Japan to try to enhance imports from the U.S. "by bearing in mind a reasonable target for each other." Hosokawa said Hata's opinion is one that has been talked about but said it would be difficult to set such targets.

'Apparent Backpedaling' Reported

OW1309134793 Tokyo KYODO in English 1330 GMT 13 Sep 93

[Text] Tokyo, Sept. 13 KYODO—Prime Minister Morihiro Hosokawa backpedaled Monday [13 September] on comments earlier in the day in which he sounded positive about setting numerical targets to cut Japan's current account surplus.

Hosokawa said Monday morning it may be necessary to "study" setting such targets as demanded by the United States. He was commenting on remarks made by Foreign Minister Tsutomu Hata in Washington earlier in the day that it is "a good idea" for Japan to try boosting imports from the U.S."by setting such targets."

The prime minister said later through his secretary, however, that what he really intended to say is the government needs to study ways to restructure the economy, including the current account surplus, from a broader viewpoint. The secretary also quoted Hosokawa as saying his remarks do not mean the government will study whether to set numerical targets.

The apparent backpedaling reflects mixed views within the Hosokawa administration on the surplus-cutting target, political analysts said. They noted the issue is expected to loom large in the upcoming Japan-U.S. summit talks in New York.

Japan's current account surplus reached about 130 billion dollars in 1992.

Meanwhile, government sources said Monday the administration will consider asking an advisory panel to study the possibility of setting numerical targets to reduce the current account surplus to a certain percentage of gross domestic product.

The study will be made at an economic reform study panel, an advisory body to Hosokawa, which will hold its first session Thursday, the sources said. The panel, chaired by Gaishi Hiraiwa, chairman of the powerful Federation of Economic Organizations (Keidanren) is expected to draw up "guidelines" for restructuring the economy by the end of the year, the sources said.

Vice Foreign Minister Kunihiko Saito told reporters Monday evening Hata made the remarks in favor of setting numerical targets in the belief the current account surplus should not be left unattended.

"It seems only natural that Japan should conduct talks with the U.S. with such figures in mind," said Saito. "But numerical targets won't be discussed at the trade framework talks" between the two countries.

A Foreign Ministry official, who declined to be identified, expressed Tokyo's readiness to consider nonbinding goals for surplus-cutting efforts on the Japanese part rather than making an international commitment. The official forecast that no numerical targets will be proposed when Hosokawa holds talks with U.S. President Bill Clinton late this month.

"At the Japan-U.S. summit, I believe it important for Hosokawa to specify what he calls 'responsible reforms' in politics and administration as well as government deregulation," the official said.

Official: U.S. Submits Data on Apple Disease

OW0109153893 Tokyo KYODO in English 1356 GMT 1 Sep 93

[Text] Tokyo, Sept. 1 KYODO—The United States has presented Japanese authorities with technical data on another apple disease as part of a campaign to export U.S. apples to Japan, a Japanese farm ministry official said Wednesday [1 September]. The U.S disinfection data about a disease called fire blight is the final information requested by Japan, the official said.

Japan officially opened its apple market in 1971 but has not allowed any U.S. apples because of concerns about pests, such as codling moth and apple worm, and diseases like fire blight. U.S. apple growers have called such concerns unwarranted and an excuse to bar imports.

The Ministry of Agriculture, Forestry and Fisheries will send inspectors to the U.S. to verify test data this autumn after confirming the latest U.S. data, the official said. But the ministry is still demanding on-site inspections not only of autumn crops but also the spring flowering season, which the U.S. has rejected, the official said.

U.S. Agriculture Secretary Mike Espy and Trade Representative Mickey Kantor earlier sent a letter to Japan complaining about the ban. U.S. officials accuse the ministry of using technical issues to delay imports.

U.S. Trade Official Urges Procurement Criteria

OW1109125693 Tokyo NHK General Television Network in Japanese 1003 GMT 11 Sep 93

[Announcer-read report over video; from "News 7" program]

[Text] On the afternoon of 10 September, Japan and the United States held vice ministerial talks to discuss the Japanese Government's procurement policy, which is one of the three focal points in the new economic framework talks. At the talks, the United States urged Japan to provide new criteria for government procurement of telecommunications and medical equipment.

As leader of the Japanese delegation, Deputy Foreign Minister Koichiro Matsuura met with Deputy U.S. Trade Representative [USTR] (Vershevski), and discussed measures for increasing the Japanese Government's purchase of foreign-made products in five fields including computers.

The Deputy USTR said that, among the five topics, the United States attaches much importance to expanding the export of telecommunications and medical equipment. Referring to Japan's criteria for procurement of foreign-made supercomputers, she urged Japan to provide similar criteria to boost imports of these products.

In reply, the Japanese delegation merely said they would like to discuss tangible measures in future negotiations.

Concerning a U.S. demand for expanding the coverage of bilateral negotiations to the procurement policies of local governments, the two nations agreed to continue negotiations on the subject in accord with the future development of multilateral negotiations at the GATT's Uruguay Round.

The first round of the new Japan-U.S. economic negotiations ended after the two-day meeting. The next negotiations will be held in Hawaii beginning on 19 September, on such individual trade issues as automobiles and auto parts.

U.S., Tokyo To Hold Auto-Based Talks in Hawaii

OW1109020093 Tokyo KYODO in English 0150 GMT 11 Sep 93

[Text] Washington, Sept. 10 KYODO—The United States plans to push the sales of U.S.-made automobiles and auto parts to Japan in a series of bilateral negotiations slated to begin in Hawaii later this month, officials said Friday [10 September].

Japanese officials said auto trade—accounting for the bulk of the U.S. trade deficit with Japan—is likely to emerge as the most critical issue over four days of talks aimed at removing sectoral and structural barriers to the Japanese market.

Although U.S.-made cars have gradually made inroads into the Japanese in recent months, the export of Japanese-made cars and auto parts accounted for two-thirds of the 50 billion dollar trade deficit the U.S. had with Japan last year.

Washington complains that Japan maintains an auto dealership system that discourages the sale of foreign cars. It also charges that Japanese automakers are biased against foreign-made auto parts, both for cars built in Japan and in the U.S. by Japanese-owned factories.

Under an agreement reached in Washington on Friday, Japanese and U.S. trade negotiators have scheduled two sessions of talks—on September 21 and 22—in Hawaii to address the auto trade issue, Japanese officials said.

The two sides also agreed to hold a follow-up session on auto trade in Tokyo in late October.

The talks will be held under the so-called "framework" trade accord the two countries concluded in July to deal with trade-related structural and sectoral issues.

In addition to auto trade, the talks in Hawaii will also address the issues of access to the Japanese insurance market and Japanese Government procurement of foreign goods and services over a four-day period beginning on September 19.

Trade negotiators from the two countries will also review the implementation of existing trade agreements between the two countries and, at Japanese insistence, discuss U.S. competitiveness and export-promotion efforts, Japanese officials said.

Japanese and U.S. trade negotiators face a January deadline to settle trade issues concerning government procurement, the insurance market and auto industry—the three "high priority" areas specified in the framework accord.

The talks are expected to center on how to set up "objective criteria" to evaluate Japan's commitment to increase imports and reduce its massive trade surplus.

Japan has resisted the setting of binding import targets, arguing that the government has no power to dictate the level of imports in a market economy. Japan's Foreign Minister Tsutomu Hata, however, raised expectations in Washington on Friday that Tokyo may have a change of heart when he told reporters that the Japanese Government may agree to nonbinding macroeconomic targets for reducing Japan's vast and growing global surplus.

"We are pleased that he accepts the principle of numerical targets. That is a great change in Japan's position," U.S. trade representative Mickey Kantor said when asked to comment on Hata's remarks.

Kantor reiterated that Washington wants to set up "benchmarks, or numerical and other targets" to monitor Japan's commitment to imports. Import targets are necessary "to make sure that we can open up Japanese markets," he said.

MITI on Complaint From U.S. Computer Firm

OW1309045393 Tokyo KYODO in English 0402 GMT 13 Sep 93

[Text] Tokyo, Sept. 13 KYODO—Japan's Trade Ministry told a U.S. computer firm that complained of failing to win a contract to supply the ministry with computers that the contract went to the lowest bidder, ministry officials said Monday [13 September].

Compaq Computer Corp. had written to the Ministry of International Trade and Industry (MITI) complaining that NEC Corp., which won the order, was making an excessive discount. The letter, addressed to Vice MITI Minister Hideaki Kumano, called the NEC bid "regrettable."

NEC offered in its bid to rent personal computers to the ministry for 4,750 yen per month for each computer, including software and maintenance.

Compaq's price was 10,500 yen per computer, and other bids were 7,280 yen by Fujitsu Ltd. and 10,300 yen by Toshiba Corp., the officials said.

A report in the NIHON KOGYO SHIMBUN, an industrial newspaper, said the order was for 2,250 computers.

MITI has used NEC computers for almost four years and decided to continue using them, the ministry officials said. They said the bidding method was explained in a reply sent to the Japanese subsidiary of Compaq and denied that Compaq had protested about problems facing foreign companies in entering the Japanese market.

Compaq reportedly called for changes in the bidding system to enable foreign firms to take part more effectively.

Nonlife Insurers on U.S. Trade Barrier Charges

OW1309135093 Tokyo KYODO in English 1336 GMT 13 Sep 93

[Text] Tokyo, Sept. 13 KYODO—Japan's nonlife insurers' association has sent a letter to its U.S. counterpart rejecting charges that foreign companies are shut out of the Japanese market, industry sources said Monday [13 September].

Joseph Morein, vice president of U.S. insurance firm Chubb Corp., told the U.S. House of Representatives in July as a representative of the American Insurance Association that the Japanese nonlife insurance industry obstructs foreign firms. Strong trade barriers such as cross-shareholdings and the "keiretsu" business grouping systems were shutting out foreign firms, he said.

Morein said Japanese Finance Ministry regulations favor big companies in terms of developing new services and thus represent a barrier for foreign companies.

The Marine and Fire Insurance Association of Japan said in its letter to the U.S. association the accusations are based on "misunderstanding," the sources said.

An insurance firm's competitiveness is based on a long-term relationship with customers, and many foreign firms often do not make efforts to establish such a stable relationship, the Japanese association wrote. It said the ministry's regulations do not prevent foreign firms from expanding their market share, according to the sources.

The nonlife insurance industry is included in trade talks between Japan and the United States which started earlier this month. The U.S. Government regards the keiretsu system as an obstacle to foreign participation.

Clinton Popularity Reportedly Rises Slightly

OW1309080893 Tokyo KYODO in English 0801 GMT 13 Sep 93

[Text] Tokyo, Sept. 13 KYODO—After hitting a low of 44 percent in May, U.S. President Bill Clinton's popularity rating among Japanese rose to 46 percent in July, according to a nongovernment Japanese survey released Monday [13 September]. The Nihon Research Center said its survey of 2,000 people between late July and August showed 16 percent "expect good relations between Japan and the United States," up 5 percentage points from May.

The improved result followed Clinton's visit to Japan in early July for the Tokyo summit of leaders of the Group of Seven major industrialized nations. During the visit, he gave a speech and answered questions from students at Tokyo's Waseda University.

Asked if they think the U.S. economy will improve under Clinton, only 9 percent said they expect it to recover, a drop of 6 percentage points from the previous survey, while 48 percent said they do not expect an improvement, up 7 percentage points from May.

On expectations for better trade relations, negative responses were in the majority at 56 percent, continuing a trend detected in May.

Brazilian Senator Meets With Hosokowa 13 Sep

OW1309031393 Tokyo KYODO in English 0252 GMT 13 Sep 93

[Text] Tokyo, Sept. 13 KYODO—Antonio Ueno, a member of Brazil's federal senate, called Monday [13 September] for Japan to assist Japanese descendants living in Brazil.

Ueno, who heads the Parana Chamber of Commerce and Industry, made the pitch when he met Prime Minister Morihiro Hosokawa at his official residence for 15 minutes, a Japanese Foreign Ministry official said. The senator said he perceives Japan as a life raft for Brazilians working here as migrant laborers.

Ueno, a second-generation Japanese-Brazilian, reportedly said that when such Brazilian workers come to Japan, they not only get work but also an understanding of Japanese culture.

The Brazilian politician said his nephew is currently working in Japan. An estimated 120,000 Brazilians are in Japan as migrant workers.

Noting Hosokawa is very popular in Brazil, Ueno said he expects the premier to further promote friendly ties between the two nations, the official said. Ueno and Hosokawa have previously met both in Japan and Brazil.

Hosokawa Meets Mongolian Vice Premier Purebdorj

OW1309075093 Tokyo KYODO in English 0730 GMT 13 Sep 93

[Text] Tokyo, Sept. 13 KYODO—Prime Minister Morihiro Hosokawa told Mongolian Vice Premier Choyjilsurengiyn Purebdorj on Monday [13 September] that Japan is laying the groundwork for the invitation of Mongolian Premier Puntsagiyn Jasray in November . If his trip to Japan is realized, Jasray will be the first Mongolian premier to make an official visit to Japan since 1990, when Dumaagiyn Sodnom visited the country.

During the 15-minute meeting with Purebdorj, Hosokawa welcomed Mongolia's recent move toward democracy and its introduction of a market economy, a Foreign Ministry official said in a briefing. Hosokawa also promised to continue Japan's economic assistance to Mongolia, the official said.

The Mongolian vice premier told Hosokawa he deeply appreciates Japan's efforts to take the lead in promoting economic assistance to Mongolia, the official said.

A Mongolian delegation led by Purebdorj is in Japan to attend a two-day international conference on aid to Mongolia, which began in Tokyo on Monday.

The Third Mongolia Assistance Group Meeting, held at the Foreign Ministry under the chairmanship of Japan and the World Bank, is aimed at identifying priorities for Mongolia's mid- to long-term economic development.

The past two meetings took place in Tokyo, in September 1991 and May 1992.

'Source' Reports U.S. Cocom Export Proposal

OW1309044993 Tokyo KYODO in English 0440 GMT 13 Sep 93

[Text] Tokyo, Sept. 13 KYODO—The United States wants to curb exports of conventional weapons and industrial goods that could be used in them to countries such as Iraq and Libya, a Japanese Government source said Monday [13 September].

The U.S. proposal, which includes machine tools and industrial robots, represents an extension of curbs already applied to exports of strategic materials regulated by the Coordinating Committee for Multilateral Export Controls (Cocom). Besides Iraq and Libya, countries on the Cocom blacklist include Iran and North Korea.

But the U.S. wants to ease curbs that Cocom has been applying to republics of the former Soviet Union and east Europe countries, the source said. Russian President Boris Yeltsin has been pressing western nations to abolish the Cocom rules following the end of the Cold War.

Japan is among 17 Cocom member nations, which also include Britain, France, Germany, Italy and Australia.

Public Meeting Criticizes Hosokawa's War Apology

OW1309145893 Tokyo KYODO in English 1432 GMT 13 Sep 93

[Text] Tokyo, Sept. 13 KYODO—An angry rally demanded Monday [13 September] that Prime Minister Morihiro Hosokawa retract his statement that Japan was an aggressor in World War II, and said other Asian nations should thank Japan for helping end Western colonial rule.

"Frankly speaking, it was South Korea and China that couldn't stand up to the Russians. Korea was corrupt, apathetic, weak-kneed, and powerless, so Japan had no choice but to go out," said Professor Akira Nakamura of Dokkyo University, drawing applause from a public meeting of about 700 people.

"It was Japan's fate to stand up to the white man...and save Asia," he told the gathering organized by an ad hoc group, the "Japan is Not an Aggressor Nation" People's Committee.

The committee of prominent nationalist opinion leaders includes former Education Minister Masayuki Fujio, who was forced to give up the portfolio in 1986 over remarks that Koreans bore some responsibility for Japan's 1910-1945 colonial rule.

Hosokawa at his inaugural news conference a month ago said he regarded the Pacific phase of the war as "a war of aggression" and a mistake. Later, in his first address to parliament, Hosokawa toned down his comments, apologizing for "actions including aggression and colonial rule."

Hideaki Kase, a prominent foreign policy commentator, told the meeting that much of Asia and Africa might still be Western colonies had Japan not fought the war.

"America's responsibility for the war is bigger" than Japan's, he said.

The meeting, from which about 300 were turned away for lack of space, adopted a resolution condemning Hosokawa, the grandson of wartime Prime Minister Fumimaro Konoe, for being a traitor to the nation's forefathers. The resolution demanded Hosokawa reject moves to pass a Diet resolution condemning the war.

Ito Begins Election Campaign for SDP Leadership

OW1109105393 Tokyo KYODO in English 1019 GMT 11 Sep 93

[Text] Tokyo, Sept. 11 KYODO—Social Democratic Party (SDP) member Masatoshi Ito on Saturday [11 September] started his official campaign for the party chairmanship election, set for September 18 to 19, and said he opposed introducing a controversial double election system for the House of Representatives.

Speaking in front of Shibuya railway station in central Tokyo, Ito said that a combination of single-seat constituencies and proportional representation in the powerful lower house, proposed by both the coalition government, which includes the SDP, and the opposition Liberal Democratic Party, is the most contentious election issue. The 46-year-old member of the House of Councillors expressed opposition to the proposal, saying "the system does not correctly reflect people's votes in the parliament."

The election for the SDP chairmanship will be a face-off between Ito and Tomiichi Murayama, the 67-year-old chairman of the party's Diet Administration Committee.

Ito is supported by the party's left wing, which opposes the government's electoral reform stance. Murayama, who is also backed by opponents, said Friday that he would keep chairman Sadao Yamahana's policy lines.

Ito, however, said, "I will oppose Yamahana's party policies."

The seven-party coalition government has proposed electing lower house members through a combination of the two systems. The opposition Liberal Democratic Party is also eying its own version of the double election system for the chamber.

Ito also criticized the government's plan to review corporate donations to political parties in five years, saying that the plan, which allows corporations to provide donations and on the other hand subsidizes political parties with taxes, is "preposterous."

Some 130,000 full and associate party members across Japan will cast election ballots, and the party will hold an extraordinary convention on September 25 to endorse the result.

Extraordinary Diet Session To Convene 17 Sep

OW1309084293 Tokyo KYODO in English 0835 GMT 13 Sep 93

[Text] Tokyo, Sept. 13 KYODO—The Diet will kick off its extraordinary session Friday [17 September] and Prime Minister Morihiro Hosokawa will deliver a policy speech on September 21, Diet officials said Monday. Emperor Akihito will attend the opening ceremony.

The parliamentary schedule was agreed on at a meeting of directors of the House of Representatives' Steering Committee, the officials said.

In response to Hosokawa's address, representatives of political parties will address the Diet on September 22 at the lower chamber plenary session, and on September 24 at the House of Councillors plenary session, they said. Meanwhile, officials said Monday's meeting of directors of the lower house steering committee have not decided on the period of the extraordinary session. The coalition government proposed a sitting period of 90 days, but the opposition camp did not give the answer during the meeting, they said.

The directors will hold a meeting Thursday and discuss the period again, they said.

The meeting agreed to omit three ministers' speeches from the extraordinary session, they said. Speeches of foreign and finance ministers and the chief of the National Economic Planning Agency usually follow that of prime minister.

Hosokawa Considers Income Tax Cuts for Recovery

OW0309061593 Tokyo KYODO in English 0358 GMT 3 Sep 93

[Text] Tokyo, Sept. 3 KYODO—Prime Minister Morihiro Hosokawa suggested Friday [3 September] the government will study the possibility of income tax reductions as a way of propping up the faltering economy.

Hosokawa told reporters he will refer to income tax cuts in the context of the nation's economic state when he delivers an opening address Friday afternoon to a general meeting of the government's tax commission. The government will tackle the issue of income tax reductions against a background of drastic tax reforms and ways to shore up the economy, Hosokawa said.

Hosokawa said earlier the government will not opt for tax income cuts as a means of reviving the economy, citing the scarcity of money to finance the step.

Banking Industry Leader Offers Views on Economy

OW0709084293 Tokyo KYODO in English 0812 GMT 7 Sep 93

[Text] Tokyo, Sept. 7 KYODO—The head of the banking industry voiced doubt Tuesday [7 September] that Japan's economic situation will worsen but he said a further appreciation of the yen and weaker labor demand would bring on a deeper recession.

Tadashi Okuda, chief of the Federation of Bankers Associations of Japan, told a scheduled news conference that while the nation's business environment remains austere the worst is probably past. He said pressure for a stronger yen to chip away at Japan's soaring trade surplus has not faded.

"The most important issue (to tackle the slowdown) is stabilization of the yen" and promoting deregulation, Okuda said. He refused to be drawn on a possible reduction of the official discount rate, merely saying that he hopes the Bank of Japan will take a flexible monetary policy.

Okuda voiced hope that the short-term prime lending rate lowered by some commercial banks late last month would have a positive impact on corporate profitability.

He refrained from projecting financial results of banks for the first half of fiscal 1993 that ends this month, but pointed to the possibility of an increase in the amount of nonperforming loans carried by Dai-Ichi Kangyo Bank, of which he is president, compared with levels six months ago.

He also predicted the bank will sell more bad assets to its debt- purchasing vehicle in the latter half of this fiscal year. The Cooperative Credit Purchasing Co. was established by the financial sector earlier this year in an effort to liquidate bad assets.

Meanwhile, Okuda said the federation board on Tuesday approved its requests in connection with fiscal 1994 tax reform plans. The industry wants to keep the loan-loss reserves at present levels or higher, while extending the special reserve system for overseas investment risks that expires next March.

Pump-Priming Package To Total 5 Trillion Yen

OW1109125893 Tokyo KYODO in English 1227 GMT 11 Sep 93

[Text] Tokyo, Sept. 11 KYODO—The government of Prime Minister Morihiro Hosokawa will unveil a 5 trillion yen pump-priming package Thursday [16 September], focusing on increased housing loans and relief aid to small enterprises, sources said Saturday.

The sources said the government is confident that the package, to be implemented in tandem with deregulation and return of benefits from the strong yen to consumers, will be effective in shoring up the economic slump.

The new stimulus measures will feature an additional appropriation of about 2 trillion yen to the government's Housing Loan Corp. to finance construction of 100,000 more houses, they said.

With the additional appropriation, the corporation will be able to finance the construction of a record 700,000 houses in fiscal 1993, which ends next March 31.

They said about 1 trillion yen will be set aside for low interest loans to be provided through three governmental financial institutions to aid small enterprises.

In line with the government's policy shift to improving the quality of the people's livelihood, the package will include 1 trillion yen for improvement of the social infrastructure, including development of towns friendly to the aged and the handicapped, the government sources said.

Funds will also be set aside for construction and renovation of schools, museums and art galleries, they said. They said the measures will also include tax breaks for housing investment and corporate capital spending as well as increased subsidies to firms for employment adjustment.

The new package will be in addition to 13.2 trillion yen economy stimulus expenditures implemented by the government in April.

The sources said the government will also consider income tax cuts to be implemented through a revision of the taxation system under study by the tax commission.

A new supplementary budget will be submitted to the Diet in November to cover the package. The package will also incorporate electricity, gas and international telephone rate cuts to return some of foreign exchange gains results from the yen's appreciation to consumers, the sources said.

Businessmen Polled on Economic Situation

OW1209233193 Tokyo KYODO in English 2313 GMT 12 Sep 93

[Text] Tokyo, Sept. 13 KYODO—Most Japanese businesses polled believe the yen's recent spurt has prolonged the already drawn-out economic recession and some simply do not know when the painful days will be over, a KYODO NEWS SERVICE survey found Sunday [12 September]. The KYODO survey of executives of 100 major companies also showed that many business leaders believe that the current recession—the worst in two decades—is unique and therefore requires new approaches to finally bring the downturn to an end.

They cited an income tax reduction and deregulations as efficient boosters for the economy as well as the need to rethink their own business stances, according to the survey, which covers such giants as Toyota Motor Corp., Nippon Telegraph and Telephone Corp., Sony Corp. and Nintendo Co.

Half of the 100 executives predicted that the economy will recover in the first half of 1994, 10 expected a recovery in the second half and 17 noted that the economy would improve within this year. One official warned against a double-dip recession, while 18 responded that they do not know because of the murky economic landscape.

KYODO's previous business survey, conducted in April, found that almost all executives polled expected that the economy would bottom out this year.

Asked to pinpoint the cause of the protracted slump, 70 officials cited the strong yen, which has gained about 16 percent since February.

Many indicated that they have resigned themselves to the currency situation, with 60 officials expecting the current 100-105 yen range for the yen-dollar rate to remain unchanged for the rest of the year.

While 39 officials blamed the government for failing to implement sufficient countermeasures, 23 admitted their past excessive spending on plants and equipment partly accounts for the slump.

One of the focal points of the latest survey is that 40 or the second-highest number of executives polled said the slump partly stems from a shift in consumer behavior away from the go-go days of the "bubble" economy during the late 1980s.

"The political and economic structures have been outmoded and cannot catch up with the changes of the society," said a Fuji Photo Film Co. executive.

A Toshiba Corp. executive mentioned "a far-reaching adjustment of the economic structure."

Expectations are high for bold actions by the government of Prime Minister Morihiro hosokawa. About two-thirds of the executives hoped for an income tax reduction and deregulations, while such traditional stimuli as an official discount rate cut and additional public works expenditures were favored by fewer of those polled.

Many respondents proposed that the income tax cut be financed by a hike in the currently 3 percent consumption tax rate and were negative about new issues of debt-financing bonds, which will leave heavy tax burdens to later generations. But only 12 of the executives surveyed hailed the new reform- minded government, while more than 80 held their judgments at this moment, saying its economic policies are uncertain.

The corporate managers are not totally dependent on policymakers and are aware of the need for self-reliant efforts.

Almost half plan restructuring programs for domestic operations, including labor reduction, and more than 30 are considering boosting overseas operations and exploring new markets by introducing new technologies and products, the survey showed.

Survey Finds Business Conditions Still Sluggish

OW1309100093 Tokyo KYODO in English 0904 GMT 13 Sep 93

[Text] Tokyo, Sept. 13 KYODO—Business conditions were sluggish in the April-June quarter and the economy remained at a standstill, the Finance Ministry said Monday [13 September].

According to a quarterly business survey by the ministry, pretax profits in all industries during the second quarter declined 5.6 percent from the same period the previous year, representing a record 12th consecutive period of yearly drops. But the yearly rate of decline was smaller than the 14.0 percent drop posted in the first quarter, and the 39.4 percent plunge in October-December 1992.

A ministry official said the business performance of corporations has been stagnant ahead of a possible recovery.

In a repeat of statements three months earlier, the official said the economy seems to have bottomed out. "(The economy) should not be worse than the current level," he said.

The official said the yen's surge against the U.S. dollar, which started in February, seems to have put a cap on the business activities.

The ministry is waiting for the July to September results, which may be badly influenced by the yen's further appreciation and the colder-than-usual summer weather, the official said.

The quarterly report is based on a survey covering 24,000 companies capitalized at 10 million yen or more across the nation.

Although sales dropped 1.2 percent on year to extend the record decline to five consecutive quarters, the range of the fall shrank from 2.4 percent from the previous quarter.

Meanwhile, pretax profit of nonmanufacturers advanced 5.4 percent in the April-June period from a year earlier. It gained for the first time since the January-March period in 1991.

"Such figures can be taken as indicating that the economy would not decline from the current level," the official said.

Meanwhile, the ministry announced that pretax profit of all the industries declined for the third consecutive year in fiscal 1992, falling 22.6 percent from the previous year.

Sales dropped 0.7 percent from the previous year for the first decline since fiscal 1986, the ministry said.

Mieno Denies Plan To Cut Key Lending Rate

OW1309074193 Tokyo KYODO in English 0711 GMT 13 Sep 93

[Text] Tokyo, Sept. 13 KYODO—Bank of Japan [BOJ] Governor Yasushi Mieno on Monday [13 September] denied he is considering a cut in the benchmark lending rate. Mieno told a press conference that he has no plan whatsoever to lower the official discount rate from the current 2.5 percent.

Mieno's comment came amid growing calls from business and political circles for further credit easing amid the continued weakness of the economy.

Mieno brushed aside expectations of monetary stimulus again, although he admitted the downside risk for the economy is growing amid sluggish capital and consumer spending. But he said he sees no likelihood of major employment adjustments for the time being.

The central banker conceded the BOJ has been guiding short-term rates on the money market since August, which he said are virtual relaxations of credit policy. He argued that the conditions are coming into place for the economic recovery, while admitting a pick-up may not arrive in the second half of the current fiscal year as the central bank had expected.

Views Rate's 'Announcement Effect'

OW1309085493 Tokyo KYODO in English 0838 GMT 13 Sep 93

[Text] Tokyo, Sept. 13 KYODO—Bank of Japan (BOJ) Governor Yasushi Mieno on Monday [13 September] ruled out any immediate cut in the official discount rate while stressing that the central bank will maintain an easy market stance.

"We are absolutely not thinking of reducing the official discount rate at the moment," Mieno told a news conference. He said the central bank has been easing its monetary stance since mid-August when it started guiding market rates lower.

The BOJ has allowed short-term rates to fall some 0.3 percentage point, and the three-month rate on certificates of deposit by roughly 0.6 point, prompting banks to reduce short- and long-prime lending rates, he said.

Recent financial deregulations have allowed such market movements without changing the discount rate, and the BOJ's market stance has become one of the key monetary measures.

Mieno said the discount rate still has an important "announcement effect," but as for now "we are utilizing the flexible measures we are allowed to take."

Asked what the central bank would do if market rates that have been falling on hopes on the discount rate cut start rising, Mieno said the market naturally enters a correction phase after fluctuations.

Concerning the already-narrow gap between the official discount rate, now at 2.5 percent, and market rates, Mieno said, "that's up to the market," while noting examples in some countries where the discount rate is higher than market rates.

Referring to the central bank's latest August "tankan" quarterly survey on business confidence released Friday, Mieno said the bank has confirmed "the increasing downward risks" of its scenario that the economy would start recovering "moderately" in the second half of the current fiscal year. He said, "There were no signs for the economy to start recovering," with the key part of final demand—capital investment and personal consumption—remaining stagnant. But he said, "No factors were also observed to change the recovery scenario."

Assessed also with other economic indicators, conditions are generally continuing to improve for the recovery of the economy, especially with progressing stocks adjustments and the effects of the latest fiscal and monetary measures, he said.

The central bank will closely check these indicators, while also paying close attention to the downside risks, he said.

Considering increased concerns over labor cutbacks as underscored in the survey, Mieno said sharp labor adjustments are unlikely to occur in coming months.

Companies are reducing their work force not only from "short-term pressures" but also from their restructuring efforts to cope with medium-term factors such as the collapse of the bubble economic boom and the yen's sharp rise. On the yen's most recent slight fall against the dollar, Mieno declined to comment on exchange rates, but stressed the central bank is carefully watching the yen's rise as the main factor in dampening the economic recovery.

Article: Hosokawa 'Believed To Be a Catholic'

OW1209113693 Tokyo KYODO in English 1115 GMT 12 Sep 93

[Text] Tokyo, Sept. 12 KYODO—Prime Minister Morihiro Hosokawa is widely believed to be a Catholic among the clergy in Japan although his aides and his party deny it, according to an article to be released Monday [13 September] in a weekly magazine.

Steve Herman, Tokyo correspondent for CBS Radio/TV, wrote in an article for the SHUKAN GENDAI that until now it has been an "open secret among Japanese Catholics" that Hosokawa is a Catholic.

"Although the prime minister is not known to attend mass, many in the clergy in Japan say they consider him a Catholic although they acknowledge that it is difficult for a politician in this country to observe the strict tenets of the Catholic faith and lead a political life," Herman wrote for the weekly published by Kodansha.

Herman wrote that he became convinced Hosokawa is a Catholic after phone calls to prominent Catholics across the nation.

"Priest after priest confirmed that Hosokawa has been baptized—most saying it happened when he was a middle school student at Eiko Gakuen when it was located in Yokosuka," he said in the article.

Herman wrote that Hosokawa attended the Jesuit-run school, now in Kamakura, for three years before graduating in March 1958. Others say Hosokawa was baptized by a German Jesuit who died about six years ago, the article said.

Herman quoted the Reverend Helmut Wulf, a retired teacher from Eiko Gakuen, as saying "I know of the document, I have the date." However, Wulf added, "but without his (Hosokawa's) permission I cannot give you anything."

The prime minister's office said it could not answer personal questions about Hosokawa, while the Japan New Party (JNP) which Hosokawa founded and heads, denied that Hosokawa has had any relationship to Christianity "whatsoever except in an academic sense," he said.

He quoted a JNP spokesperson as saying Hosokawa's religion is Shinto, not Catholic.

The article added that although Hosokawa's adherence to the Catholic faith is "murky, his family's longtime links to the church are quite clear." It cited one of Hosokawa's ancestors, Tama Hosokawa, also known as Gracia Hosokawa, as being the "church's great human symbol in Japanese Catholic history."

Gracia, a daughter of Mitsuhide Akechi who was the rebellious retainer of Nobunaga Oda, converted to Catholicism in 1587 and became the model for virtuous woman for generations of Japanese Catholics, it said.

She married Tadaoki Hosokawa, the eldest son of the great daimyo who ruled western Japan. History books say she killed herself when her husband was killed in a battle while Catholic records insist she allowed herself to be put to death rather than committing suicide, it said.

North Korea

Chinese NPC Delegation Arrives in Pyongyang

SK1309102293 Pyongyang KCNA in English 1008 GMT 13 Sep 93

[Text] Pyongyang, September 13 (KCNA)—A delegation of the National People's Congress [NPC] of China headed by Wang Hanbin, vice-chairman of the Standing Committee of the NPC, arrived here today.

The delegation was met at the airport by Paek In-chun, vice- chairman of the Supreme People's Assembly [SPA], and deputies to the SPA Yu Ho-chun and Yi Song-ho and other officials concerned and Ning Fukui, charge d'affaires ad interim of the Chinese Embassy here.

Chinese Press Delegation Departs Pyongyang

SK1309011893 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 11 Sep 93

[Text] A Chinese publication delegation led by Liu Youzhi, consultant to the Chinese State Press and Publication Administration, left for home by plane today.

The delegation was seen off at the airport by Tokko Nung-in, deputy director of the General Bureau of Publication, and counselor of the Chinese Embassy in our country.

Foreign Languages Press Group Leaves for China

SK1309110593 Pyongyang KCNA in English 1005 GMT 13 Sep 93

[Text] Pyongyang, September 13 (KCNA)—A delegation of the Foreign Languages Press Group led by General Director and Editor-in- chief Hwang Sun-myong left here by train today for a visit to China.

PRC's RENMIN RIBAO Hails National Day

SK1109004393 Pyongyang KCNA in English 1513 GMT 10 Sep 93

[Text] Beijing, September 9 (KCNA)—The CHINESE PEOPLE'S DAILY [RENMIN RIBAO] September 9 dedicates an editorial to the 45th anniversary of the founding of the Democratic People's Republic of Korea.

The Korean people under the leadership of President Kim Il-song, Comrade Kim Chong-il and the Workers' Party of Korea have constantly and consistently adhered to the road of socialism, achieved great successes in socialist revolution and construction, maintaining independence, sovereignty and self-reliance and overcoming difficulties and brought about epoch-making changes in Korea, once poor and backward, the editorial says, and continues:

The Chinese Government and people support the Korean people in their struggle for independent and peaceful reunification, welcome the positive progress made by the DPRK in its dialogue with the United States and hope that the parties concerned will solve the immediate issues through dialogue and negotiations on an equal footing and develop the situation on the Korean peninsula continuously into detente and stability.

The Sino-Korean friendship has been pursed in person by old revolutionaries of the two countries and stood the test of history.

The Chinese Government and people set great store by the traditional friendship between China and the DPRK and hope for constant expansion of exchange and cooperation in political, economic, cultural and other aspects and further consolidation and development of the friendly and cooperative relations between the two countries through joint efforts with the Korean Government and people.

Embassy in China Commemorates DPRK's Founding

SK1109100493 Pyongyang Korean Central Broadcasting Network in Korean 2300 GMT 8 Sep 93

[Text] Our country's embassy in China arranged festivities in celebration of the 45th anniversary of the founding of the DPRK.

Present at a film show and a picture exhibition held on 4 September were PRC Vice Foreign Minister Tang Jiaxuan; Li Beihai, deputy head of the International Liaison Department of the CPC Central Committee; Chen Haosu, vice president of the Chinese Peoples Association for Friendship With Foreign Countries; and other functionaries concerned. The participants appreciated our country's film "Socialism, Our Country."

A book and picture exhibition and a film show were held on 25 August and 2 September, respectively. A film show was held there on 3 September.

PRC, Russian Groups Mark DPRK's Anniversary

SK1209000393 Pyongyang KCNA in English 1504 GMT 11 Sep 93

[Text] Pyongyang, September 11 (KCNA)—The 45th founding anniversary of the Democratic People's Republic of Korea was celebrated in China and Russia.

A party on the occasion was arranged in Beijing on September 8 under the cosponsorship of the Chinese People's Association for Friendship With Foreign Countries [CPAFFC] and the China-Korea Friendship Association.

Addressing the party, CPAFFC President, Han Xu, said that the Korean people have energetically built the country, invariably following the road of socialism and displaying the spirit of self- reliance and hard struggle over the past 45 hears after the Republic was proclaimed, under the leadership of the great leader President Kim Il-song and the Workers' Party of Korea.

The Chinese people, he added, will as in the past, so in the future, too, resolutely support the Korean people' efforts for the independent and peaceful reunification of the country and make tireless efforts to continue to develop and strengthen the friendly and cooperative relations and traditional friendship between the two peoples.

A celebration meeting was held in Moscow on September 7.

Vasily Grishanov, vice-chairman of the Central Council of the Russian Association for Friendship and Cultural Cooperation With the DPRK, said in his speech that Korea is a model country of socialism and the Korean people have mde enormous achievements in socialist construction.

Vyacheslav Blaznin, the founder of the paper ISTOKI, said that the banner of socialism, the banner of the chuche idea, is flying higher in Korea today when the imperialists' blackmail, economic blockade and aggressive moves are getting more wanton.

Korea is a politically stabilized society, he noted, adding that human rights are strictls guaranteed by law and people enjoy a long life in good health without worries bout food, clothing and housing benefiting by an advanced free medical care system and a free education system.

Yuriy Vanin, a section chief of the Institute of Oriental Studies of the Academy of Sciences of Russia, said "10-point programme of the great unity of the whole nation for the reunification of the country" advanced by the great leader President Kim Il-song is a most realistic reunification formula. He said: "Korea must be reunified on the basis of this programme."

Embassy in Cuba Hosts Banquet To Mark Founding

SK1309031093 Pyongyang Korean Central Broadcasting Network in Korean 23 GMT 11 Sep 93

[Text] A banquet to commemorate the 45th anniversary of the founding of the DPRK was held in our country's embassy in Cuba on 9 September. Invited were Pedro Ross Leal, member of the Politburo of the Central Committee of the Communist Party of Cuba [PCC] and general secretary of the Central Organization of the Cuban Trade Union; Jose Ramon Fernandez, vice president of the Council of Ministers and member of the PCC Central Committee; Jesus Montane Oropesa, chairman of the Cuban Proreunification of Korea Committee and member of the PCC Central Committee; Sergio Corrier, chairman of the Cuban Friendship With the Peoples Institute and member of the PCC Central Committee; Pedro Chavez Gonzalez, chairman of the Havana National Sovereignty Council and member of the PCC Central Committee; Guillermo Garcia, major of the Revolutionary Army and member of the PCC Central Committee; Pedro Perez, vice minister of the Revolutionary Armed Forces, commander of the Navy, and member of the PCC Central Committee.

Invited there were also general secretary of the Organization for the People's Unity With Three Continents; chief of the National News Agency; and functionaries of the Cuban party and government organizations, social institutions, Ministry of Revolutionary Armed Forces, and Ministry of the Interior. Yi Chong-sang, representative of Cuban office of the South Korean National Democratic Front, and various countries' ambassadors and military attaches were invited.

Kim Song-yong, our country's ambassador to Cuba, and embassy officials attended the banquet. The attendees toasted the long life and good health of the great leader Comrade Kim Il-song; the dear leader Comrade Kim Chong-il; and Comrade Fidel Castro Ruz, the supreme leader of the Cuban Revolution.

Turkish Party Delegation Arrives in Pyongyang

SK1009114593 Pyongyang KCNA in English 1022 GMT 10 Sep 93

[Text] Pyongyang, September 10 (KCNA)—A delegation of the Workers' Party of Turkey led by Vice-Chairman of the party Mehmet Bedri Gultekin arrived here today. The guests were met at the airport by Kim Yang-kon, vice- director of a department of the C.C. [Central Committee], the Workers' Party of Korea, and other officials concerned.

WPK Fetes Delegation

SK1209111793 Pyongyang KCNA in English 1020 GMT 12 Sep 93

[Text] Pyongyang, September 12 (KCNA)—The Central Committee of the Workers' Party of Korea (WPK) gave a reception Saturday [11 September] for a delegation of the Workers' Party of Turkey (WPT) headed by its Vice-Chairman Mehmet Bedri Gultekin.

In his speech at the reception Choe Tae-pok, alternate Politburo member and secretary of the C.C. [Central Committee], the WPK, said the WPT had expanded and strengthened the party ranks and rallied broad masses of the people to consolidate the mass foundations of the party, while conducting energetic activities for the formation of a united front with other progressive political parties and for freedom, equality, democratic rights and vital interests of the working masses.

"We express full support and solidarity for this," he said, and continued:

"I believe that this contact and meeting between us will mark an occasion in further deepening mutual understanding and friendship and further strengthening the ties of friendship, unity and solidarity between the two parties."

Vice-Chairman Mehmet Bedri Gultekin said in his speech that Korea had become the beacon of hope for the progressive mankind of the world and had turned into an ideal society of mankind free from oppression and exploitation of man by man.

Noting that the imperialists were trying to be the only dominator of the world, he stressed that the Korean people, party and government, undaunted by their policy of aggression and arrogance, had demonstrated their steadfast stand of defending the sovereignty of the country.

"The WPT expresses the belief that the Korean party, Government and people will register greater success in socialist construction under the wise guidance of the respected leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il," he declared.

WPK, Delegation Hold Talks

SK1309052293 Pyongyang KCNA in English 0444 GMT 13 Sep 93

[Text] Pyongyang, September 13 (KCNA)—Talks were held here Sunday [12 September] between delegations of the Workers' Party of Korea [WPK] and the Workers' Party of Turkey [WPT]. Present on the Korean side were alternate politburo member and secretary of the C.C.

[Central Committee], the WPK Choe Tae-pok and officials concerned and on the opposite side was the delegation headed by vice-chairman of the WPT Mehmet Bedri Gultekin.

At the talks the sides informed each other of the activities of their parties and exchanged views on further developing the relations between the two parties and a series of questions of common concern. The talks proceeded in a friendly atmosphere.

Report on U.S. Military Exercises on 9, 10 Sep

SK1209105493 Pyongyang KCNA in English 0959 GMT 12 Sep 93

["Provocative Joint Air War Exercises"—KCNA headline]

[Text] Pyongyang, September 12 (KCNA)—The U.S. imperialists brought scores of "F-16" fighter-bombers and "FA-18" pursuit-assault planes to South Korea on September 9 and 10 and staged a joint air war exercise against the North together with the South Korean puppets, according to military sources.

Some 500 planes of different types were hurled in this war exercise which was aimed at examining the feasibility of a day and night joint command system and the capabilities of joint air strike of the U.S. Pacific Airforce, the marines flying corps of the U.S. Pacific Fleet, the U.S. Airforce present in South Korea and the puppet airforce flying groups.

In separate action, 105 mm artillery groups of the puppet army deployed in Chukhyon-ri, Paju County, and Songok-ri, Yonchon County, Kyonggi Province, and in Yangji-ri, Chorwon County, South Korean Kangwon Province, on September 10 fired more than 180 shells into spots near the Demilitarized Zone (DMZ) of the Military Demarcation Line. And heavy tank groups of the puppet army fired some 30 shells, moving toward the DMZ from Tuji-ri, Paju County, Kyonggi Province, and Tochang-ri and Amjong-ri, Chorwon County, South Korean Kangwon Province.

This is a premeditated provocative move to increase the tension on the Korean peninsula.

SPA Group Departs for Conference in Australia

SK0709103393 Pyongyang KCNA in English 1023 GMT 7 Sep 93

[Text] Pyongyang, September 7 (KCNA)—A DPRK parliamentary group delegation led by Yi Mong-ho, secretary of the Standing Committee of the Supreme People's Assembly [SPA] and vice-chairman of the parliamentary group, left here today to attend the 90th Inter-Parliamentary Conference slated in Australia.

It was seen off at the airport by Yi Chun-sik, vice-director of the secretariat of the SPA Standing Committee.

Forestry Delegation Returns From India 11 Sep

SK1309012393 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 11 Sep 93

[Text] Our country's delegation led by Forestry Minister Kim Chae-yul returned home by plane today, after attending the developing countries' ministerial-level meeting on forestry in India.

The delegation was met at the airport by Kim Yong-hwa, vice minister of the Ministry of Forestry, and the Indian charge d'affaires to our country.

Papers Observe Tajikistan's Independence Day

SK0909141993 Pyongyang KCNA in English 1054 GMT 9 Sep 93

[Text] Pyongyang, September 9 (KCNA)—Papers here today observe the second anniversary of the independence of the Republic of Tajikistan.

MINJU CHOSON in a by-lined article says the Korean people on this occasion extend congratulations and greetings to the Tajik people.

It goes on:

After the independence of the country the Tajik people have made efforts to consolidate the national independence, achieve socio- political stability and develop the economy.

The Republic of Tajikistan has established friendly relations with many countries of the world and is developing them.

The DPRK established diplomatic relations with the Republic of Tajikistan on February 5, 1992.

The Korean people believe that the Korean-Tajik friendship will grow stronger and develop on good terms in the future and wish the Tajik people new success in their endeavours for the stability and prosperity of the country.

Kim Il-song Receives Chongnyon Delegation

SK1009113893 Pyongyang KCNA in English 1019 GMT 10 Sep 93

[Text] Pyongyang, September 10 (KCNA)—The great leader President Kim Il-song received today the congratulatory group of Koreans from Japan for celebrating the 45th anniversary of the DPRK led by So Man-sul, vice-chairman of the Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon), the delegation of educational workers of Chongnyon led by Kim Su- chin, a department director of the Central Standing Committee of Chongnyon, and the delegation of Chongnyon branch workers led by Y n Man-ki, a section chief of the Central Standing Committee of Chongnyon, on a visit to the socialist homeland.

Kim Yong-sun and officials concerned were on hand.

Vice-chairman So Man-sul extended highest glory and thanks to President Kim Il-song, representing the loyal hearts of all the Chongnyon officials and 700,000 Koreans in Japan on the 45th founding anniversary of the DPRK and wished him a long life in good health.

President Kim Il-song, glad to meet the members of the congratulatory group and the delegations, had a cordial talk with them.

He arranged a luncheon for them.

Chongnyon in Tokyo Marks DPRK Anniversary

SK1009112493 Pyongyang KCNA in English 1012 GMT 10 Sep 93

[Text] Tokyo, September 8 (KNS-KCNA) [dateline as received]—A central meeting of Koreans in Japan was held in Tokyo on September 8 on the occasion of the 45th anniversary of the founding of the Democratic People's Republic of Korea.

In his speech Yi Chin-kyu, first vice-chairman of the Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon), said that since the founding of the Republic, the Korean people had become the true masters of the country for the first time in history, independently and creatively shaped their destiny and ushered in a new history of world-startling miracles, prosperity and development on the land of the country.

"As they have covered the road of victory and glory under the wise guidance of the respected leader Generalissimo Kim Il-song and the dear leader Marshal Kim Chong-il and their loving care and under the banner of the Republic, Chongnyon and Koreans in Japan have kept the honor of the standardbearers in the overseas compatriots movement of the world," he said, and continued:

"The officials of Chongnyon and Koreans in Japan must make a tangible contribution to national reunification in the '90s by consolidating the achievements in the signature campaign for support to and implementation of the 10-point programme of the great unity of the whole nation and vigorously carrying on the internal and external activities for the country's reunification."

Congratulatory messages to Generalissimo Kim Il-song and Marshal Kim Chong-il were read at the meeting.

Kim Il-song Receives Chuche Institute Delegation

SK1109112293 Pyongyang KCNA in English 1009 GMT 11 Sep 93

[Text] Pyongyang, September 11 (KCNA)—The great leader President Kim Il-song today received the visiting delegation of the Asian Regional Institute of the Chuche Idea led by its President T.B. Mukherjee.

Present on the occasion were secretary of the C.C. [Central Committee], the Workers' Party of Korea, Hwang Chang-yop, and president of the Chuche Idea Academy, Yi Chi-su.

President Kim Il-song conversed with the guests in a cordial and friendly atmosphere.

He arranged a luncheon for them.

Receives Gift From Delegation

SK1109120793 Pyongyang KCNA in English 1011 GMT 11 Sep 93

[Text] Pyongyang, September 11 (KCNA)—The great leader President Kim Il-song received a gift from the visiting delegation of the Asian Regional Institute of the Chuche Idea [ARIJI].

The gift was handed to an official concerned by head of the delegation T.B. Mukherjee, president of the ARIJI.

Kim Chong-il Receives Gift

SK1109113393 Pyongyang KCNA in English 1010 GMT 11 Sep 93

[Text] Pyongyang, September 11 (KCNA)—The dear leader Comrade Kim Chong-il received a gift from the visiting delegation of the Asian Regional Institute of the Chuche Idea [ARIJI].

The gift was handed to an official concerned by head of the delegation T.B. Mukherjee, president of the ARIJI.

Kim Il-song Gives 'On-the-Spot' Farm Guidance

SK1109051793 Pyongyang KCNA in English 0426 GMT 11 Sep 93

[Text] Pyongyang, September 11 (KCNA)—The great leader President Kim Il-song Friday gave on-the-spot guidance to the Songsin and Changchon cooperative farms in Sadong district, Pyongyang.

He was accompanied by Premier Kang Song-san, Vice-Premier Kang Hui-won, secretary of the party Central Committee So Kwan-hui, Chairman of the State Agricultural Commission Kim Won-chin, Chief Secretary of the Pyongyang Municipal Party Committee and Chairman of the Pyongyang Municipal People's Committee Kang Hyon-su and officials concerned.

Going round the fields of bumper crops on the Songsin and Changchon cooperative farms, President Kim Il-song acquainted himself with the farming and expressed deep satisfaction with the bumper crops brought about by the farmers by putting farm work on a scientific and technical basis as required by the chuche method of farming.

He said the Songsin and Changchon cooperative farms could bring about bumper crops this year, too, because they endeavoured hard to implement the green revolution policy of the Workers' Party of Korea. He highly appreciated and thanked Pak Son-kuk, a technical instructor of the Songsin cooperative farm, for having greatly contributed to the increase of grain output by breeding high-yielding seeds suited to its soil conditions through strenuous efforts with unfailing loyalty to the party and the revolution, the country and the people.

He gave highly important instructions on rapidly increasing agricultural production, saying that to do farming well is the most important thing in solving the problem of food, clothing and housing for the people more satisfactorily.

He said one of the basic ways of constantly increasing grain output in Korea with limited arable land is to breed many high- yielding seeds suited to the climate and soil of Korea and raise the per-hectare output steadily through continuous efforts in the green revolution. The agro-scientists and agro-technicians must devotedly work to further develop agricultural science and technology, he stressed.

He emphasized that the tasks proposed in the rural theses must be fulfilled to the letter, state guidance over agriculture be intensified and the superior socialist rural economic system of Korea based on collectivism be further consolidated.

Daily Marks Anniversary of Kim Il-song Writing

SK0809111493 Pyongyang KCNA in English 1010 GMT 8 Sep 93

["DPRK Government Is Mighty Revolutionary Power Carrying Cause of Socialism to Completion"—KCNA headline]

[Text] Pyongyang, September 8 (KCNA)—NODONG SINMUN today dedicates a by-lined article to the tenth anniversary of the publication of the great leader President Kim Il-song's work "The Government of the Republic Is a Genuine People's Power and a Banner of Unity and Solidarity of the Masses" (September 9, 1983.)

The great leader in the classical work published on the occasion of the 35th anniversary of the national holiday clearly expounded the true looks and might of the DPRK Government, the Korean people's cradle of happiness and a banner of their unity and solidarity, and militant tasks of the government of the DPRK to hasten the socialist construction and independent Reunification of the country and make the whole world independent.

Over the past ten years after the publication of the work, the article says, the people's power has been strengthened still further and its functions and role raised immensely and the superiority and might of the Korean-style socialism fully demonstrated under the energetic guidance of the party.

It quotes the great leader Comrade Kim Il-song as saying: "Through their own experience our people have become firmly convinced that the government of the Republic is a genuine people's power which fights for the interests of the popular masses and that only when the republic is strongly safeguarded and constantly strengthened and developed, can they enjoy happy lives and eternal prosperity."

The article further says:

The might of our people's power for carrying the cause of socialism to completion lies, first of all, in strictly adhering to the independent stand under the banner of the great chuche idea.

Chuche in ideology, independence in politics, self- sustenance in the economy and self-reliance in national defence—this is precisely the consistent guiding principles maintained by our people's power in the revolutionary struggle and construction work under the guidance of the party.

With the application of the excellent guiding principles, undertakings in our country in all aspects of the revolution and construction including politics, the economy, culture and national defence are being developed in conformity with the specific conditions of the country and the demands of our people and our country is shedding its rays all over the world as the homeland of the great chuche.

The invincible might of our people's power for carrying the cause of socialism to completion lies also in its solid socio-political foundations and popular masses' unquestioned trust in it.

Broad segments of the working people including workers, peasants and intellectuals who constitute the socio-class basis of our people's power are devotedly working for the development and prosperity of the Republic, firmly convinced that as they have the people's power their true life and happiness of all generations to come are guaranteed.

In particular, the socio-political foundation of our people's power has been cemented immensely as our revolutionary ranks have been consolidated into forces united with one mind under the leadership of the party.

The might of our people's power for carrying the cause of socialism to completion is also fully demonstrated in the strict application of the idea and guidance of the leader.

It is the true traits of our people's power to accept the party's line and policies as its vital demands, subordinate everything to their implementation, solve all questions arising in power building and activities such as defining the direction and contents and ways of building power and setting forward a policy and carrying it through, in accordance with the intentions of the party.

Our people's power has been strengthened and developed into a powerful and superior revolutionary power with a strong independent character and firm socio-political foundations and unfailingly loyal to the cause of socialism, the cause of the party and the leader, entirely because it is guided by the great leader and the illustrious leader, stresses the article.

Kim Chong-il Sends Birthday Table to Woman

SK1009112093 Pyongyang KCNA in English 1000 GMT 10 Sep 93

[Text] Pyongyang, September 10 (KCNA)—The dear leader Comrade Kim Chong-il sent a benevolent centennial birthday table to Kim Kum-sun, an old woman residing in Tonghung-tong, central district, Pyongyang.

The birthday table was conveyed to her on September 9.

Born into a poor peasant family on September 9, 1893, she lived a miserable life unfit for humanity in the feudal society of the Yi Dynasty and under the Japanese imperialist colonial rule. Orphaned in her early years, she was hired as a baby-sitter at a landlord's at the age of six.

After the liberation of the country she tilled her own land with a zeal and took the van in aiding the front during the fatherland liberation war.

She did a lot of work conducive to the development of the country after her retirement.

Choked with emotions upon receiving the birthday table sent by the dear leader, an ordinary woman who had done nothing special for the country, she said "thank you, the great leader" and "thank you, the dear leader".

Kim Chong-il Extends Thanks to Workers

SK1209112593 Pyongyang KCNA in English 1009 GMT 12 Sep 93

[Text] Pyongyang, September 12 (KCNA)—The dear leader Comrade Kim Chong-il extended thanks to the employees of Pyongyang department store No. 1 and the medical workers of Kim Man-yu hospital who helped the Hwachon coal mine with sincerity.

The employees of Pyongyang department store No. 1 have inspired the coal miners in their efforts to increase coal production by splendidly building service facilities at the coal mine and actively conducting mobile art propaganda activities.

Medical workers of Kim Man-yu hospital are making all efforts to consolidate material and technical foundations of the coal mine hospital and improve the miners' health.

Comrade Kim Chong-il also sent thanks to Choe Ki-sun, chief secretary of the party committee of the General Bureau of Western Railways, and Chang Sa-hong, secretary of the party committee of an organ, who became parents of Choe Hak-mun and Choe Hye-chong, an orphaned brother and sister, and took good care of their study and life to make them bring their talents into full bloom at Korean University of Physical Education.

Radio Reports Southern Ship 'Invaded' Waters

SK1209040293 Pyongyang Korean Central Broadcasting Network in Korean 0312 GMT 12 Sep 93

[Text] South Korean puppets made a grave military provocation by having an unidentified ship illegally invade deep into our side's territorial waters of the West Sea yesterday.

Around 1305 [0405 GMT] on 11 September, South Korean puppets had an unidentified ship deeply invade openly in broad daylight our side's territorial waters off Pukpo, Kangnyong County, South Hwanghae Province.

A Naval patrol boat of the Korean People's Army, which was on a sea patrol mission with vigilance while impregnably defending the sea post of the socialist fatherland, urgently rushed to the territorial waters. The ship, then, which had failed to successfully realize its attempt, veered off and began to flee to the direction of Yonpyong Island.

Coinciding with this, two combat ships of the puppet army which were on alert watching as the unidentified ship invaded our side's territorial waters in Yongpyong Island, challenged us and hastily fled to the South side while protecting the ship.

The military provocative act perpetrated by South Korea puppets is a premeditated act designed to create artificially North-South confrontation, running counter to dialogue.

If South Korea puppets continue to conduct military provocative acts in defiance of our repeated warnings, they will not be able to avoid a due penalty.

Power Commission Briefs Media on 'Peace Dam'

SK0809112793 Pyongyang KCNA in English 1043 GMT 8 Sep 93

[Text] Pyongyang, September 8 (KCNA)—The State Power Industry Commission of the DPRK called a press conference at the People's Palace of Culture today to clarify once again the truth of the "peace dam," a typical evidence for the South Korean authorities' anti-DPRK smear campaign, and make clear the position of the DPRK Government toward it.

Yi Chong-song, vice-chairman of the commission, told home and foreign reporters about the origin of the "peace dam" problem and the DPRK's position toward it.

The "peace dam" problem occurred when the DPRK Government published a report about the ground-breaking ceremony for the Kumgangsan power station on October 21, 1986 and the South Korean authorities, without acquainting themselves with its details, branded it as a "flooding operation" and started building a "counter dam" allegedly to cope with it.

The construction of the Kumgangsan power station is a peaceful construction promoted in a planned way under the unique grand nature-remaking policy of the Workers' Party of Korea to rationally develop the abundant hydraulic resources in Kangwon Province and solve the power problem of the nation. It is also an undertaking to develop hydraulic resources on the basis of full assessment of the natural and geographical rationality and economic effectiveness. It causes no economic losses, still less military threat to South Korea.

Nevertheless, the South Korean puppets kicked up a frantic anti- DPRK smear campaign, calling it "special construction" and "flooding operation" while staging the drama of building a "counter dam" with hundreds of billions of won squeezed from the people under the pretext of coping with the "threat of flooding attack from the North."

In a bid to justify the construction of the "peace dam" the puppets groundlessly exaggerated the pondage of the Kumgangsan power station and alleged that it might "threaten" the Olympic Games in 1988.

It has been brought to light in South Korea that the "Security Planning Board" (SPB) played the key role in deliberately exaggerating the results of the analysis of the situation and its judgement in the "peace dam" case. No sooner had we made public the construction of the Kumgangsan power station than the puppet security planning board fabricated groundless "basic data" alleging that the pondage was 20 billion tons.

This problem cannot be solved without punishing the "SPB" that designed, directed and performed the "peace dam" drama.

The unfounded "nuclear suspicion" racket of the South Korean rulers against us today is unthinkable either apart from the intrigues of the "SPB". There is no doubt that the outcries over the fictitious "nuclear suspicion" will be brought to full light just as the truth of the "peace dam" case invented by the "SPB" has been exposed this time.

The "peace dam" case faked up by the South Korean rulers left serious consequences on the North-South relations. The South Korean puppets' smear campaign about "flooding operation" incited antagonism against fellow countrymen among the South Korean people, laid a big stumbling block in the way of national reconciliation and unity, aggravated the confrontation and tensions between the North and the South, hindered and delayed the reunification and inflicted big mental and material losses on the South Korean people.

The present authorities of South Korea, far from punishing the chief criminals in the "peace dam" case, argue that the probe into their crimes should be left to history, that it was not desirable to treat a former "president" like that and defend the "SPB" as if it had acted rightly at that time, instead of calling it to task.

Yi Chong-song reiterated the position of the DPRK toward this problem which had a serious effect on the North-South relations.

"Firstly, we demand that the present authorities of South Korea probe the truth of the 'peace dam' to the last till the people's demand is fully met.

"Secondly, the South Korean authorities must make an official apology to us and the entire nation, admitting that the 'peace dam' fuss was a false case designed to slander the North and thus seriously hindered national unity and reunification.

"Thirdly, the South Korean authorities must take a step to immediately disband the 'SPB,' the den of the anti-DPRK campaign.

"Fourthly, the South Korean authorities must immediately give up the 'nuclear suspicion' racket, a replica of the 'peace dam' case."

Yi Chong-song answered questions put by reporters.

Daily Discusses South's 'Invitation Diplomacy'

SK1109095193 Pyongyang KCNA in English 0511 GMT 11 Sep 93

["Treacherous Act To Work Evil To Fellow Countrymen With Help of Outside Forces"—KCNA headline]

[Text] Pyongyang, September 11 (KCNA)—The South Korean rulers recently conducted solicitation diplomacy and "invitation diplomacy" over the North's "nuclear problem," requesting Japanese Dietmen to "make efforts for its solution."

Commenting on this, MINJU CHOSON today says this is a despicable treacherous act for isolating the North with the help of outside forces and getting something.

The analyst notes:

If relations between the DPRK and the United States which have been at odds with each other for a long time were improved and the situation of the Korean peninsula relaxed, it would have a great affect on North-South relations and the cause of peace in Asia.

Nevertheless, the South Korean authorities, displeased with the success of DPRK-U.S. talks, have requested other countries to put "international pressure" on the North under the pretext of its fictitious "nuclear problem". This is, indeed, an anti-peace, anti- reunification act.

It is really shameless of the South Korean authorities to raise a hue and cry over the fictitious "nuclear arms development by the North" and abuse it for their sinister purpose, while bringing in nuclear weapons of other countries, pushing ahead with the development of nuclear weapons and frequently staging large-scale war exercises against the North.

They are impeding the progress of DPRK-U.S. talks with a lie about "the North's nuclear arms development" and attempting to put "pressure" on the North with the backing of other countries under this pretext. This is a last-ditch effort of those driven into a tight corner.

The South Korean authorities must clearly see the situation and act with discretion.

Daily on South's Three-Stage Reunification Plan

SK1209110493 Pyongyang KCNA in English 1025 GMT 12 Sep 93

["NODONG SINMUN on Separatist Essence of 'Three-stage Reunification Formula'"—KCNA headline]

[Text] Pyongyang, September 12 (KCNA)—The present South Korean "regime's" much-touted "three-stage reunification formula" is, in essence, a formula to delay reunification and freeze the division, a confrontational one aimed at "reunification by prevailing over communism", says NODONG SINMUN today.

The keynote of it is to complete "reunification into one nation, one state" through the "stage of North-South reconciliation and cooperation" and the stage of achievement of "North-South alliance".

The paper says:

The separatist essence of this "proposal" lies in that it is intended to delay reunification indefinitely by setting unnecessary and artificial stages and regards the North-South relations as relations between states and seeks to make it a fait accompli.

National reunification is an urgent task of the reality which awaits a solution, not one of the distant future.

The South Korean rulers, however, are trying to drag on the reunification question for an indefinite period by setting artificial stages like "reconciliation and cooperation", "North- South alliance" and "reunification into one nation, one state".

"Reunification into one nation, one state" advocated by the South Korean ruler immediately means reunification of systems, which presupposes removal of one of the two systems existing in the North and the South. It is infeasible under the specific conditions of Korea.

"Reunification of systems" is meant to prolong the division indefinitely in disregard of the reality and, in the final analysis, it means opposing reunification.

By "reunification of systems" the South Korean rulers mean "reunification by prevailing over communism", over the socialist system of the North, and "reunification through absorption".

Their dream of "reunification by prevailing over communism" will never come true.

The South Korean authorities must look squarely at the reality and discard the anachronistic dream.

Daily Discusses 10-Point Unification Plan

SK1309052493 Pyongyang KCNA in English 0451 GMT 13 Sep 93

["Charter of Great Unity Reflecting Nation's Common Demands and Interests"—KCNA headline]

[Text] Pyongyang, September 13 (KCNA)—NODONG SINMUN today describes "10-point programme of the great unity of the whole nation for the reunification of the country" worked out by the great leader Comrade Kim Il-song as a great programme of independent reunification which indicates the way of overcoming difficulties created in the country and achieving its peace and peaceful reunification with the nation's own efforts.

The paper says in a by-lined article:

The 10-point programme is a great charter of national unity which expounds the goal and ideological basis of great unity conforming to the common interests and ideal of all Koreans in the North, South and overseas. It is also a wide-range political programme which contains most fair and aboveboard principles and ways of great unity acceptable to all.

The programme defines the founding of a unified state, independent, peaceful and neutral, as the ultimate goal of great national unity. And it sets patriotism and the spirit of national independence as the ideological basis of great unity.

The clear definition of the ultimate goal and ideological basis of great national unity boils down to a firm guarantee for achieving the great unity of the nation.

The programme elaborates on the principle of the North and the South promoting co-existence, co-prosperity and common interests and subordinating everything to the cause of national reunification and ways of achieving great national unity such as ending all political disputes and dispelling the fear of invasion from the South and from the North and apprehensions for prevailing over communism and for communization, so that neither the North nor the South may be hurt.

The programme is a perfect document of national unity in that it embodies the great all-embracing politics and benevolent politics of Comrade Kim Il-song.

A vivid embodiment of this politics can be found in the programme which stipulates that special favours should be granted to those who have performed exploits for the sake of the great unity of the nation and the reunification of the country, to patriotic martyrs and to their descendants, and that if those who had turned their back on the nation in the past return to the patriotic road, repentant of their past, they should be dealt with leniently and appraised fairly, according to the contribution they have made to the cause of national reunification. With the publication of this programme, those who have been reluctant to take the road of unity, mindful of their parental origin and past wrongdoings, can confidently take the patriotic road toward national reunification.

Daily Notes 'Patriotic Cause' of Reunification

SK1109111393 Pyongyang KCNA in English 1007 GMT 11 Sep 93

["National Reunification—Patriotic Cause Concerning Nation's Destiny and Supreme Task of Nation"—KCNA headline]

[Text] Pyongyang, September 11 (KCNA)—To reunify the country independently and peacefully is a patriotic cause concerning the nation's destiny and the supreme task of the nation which brooks no further delay, declares NODONG SINMUN today.

In a signed article the paper explains the reasons:

The first reason is that Korea's reunification is a matter of rejoining the artificially cut blood vessels of the nation, achieving national harmony and gaining independence, the life and soul of the nation, throughout the country.

The Korean people have lived as one homogeneous nation in the same territory for 5,000 years.

The independence of the nation means that the nation shapes its destiny with its own efforts as its master according to its own view, free from the domination or interference of outside forces.

Another reason is that territorial division and split of the nation are the main factor hindering a unified development of Korea and the prosperity of the nation.

Owing to division, our nation fails to utilize all national potentials rationally for the common interests and prosperity of the nation. It is forced to tremendous material and mental waste, with the atmosphere of confrontation between the North and the South growing acute owing to the dominationist strategy of outside forces.

Another reason is that continued division adds to the distrust between the North and South, aggravates the tensions and becomes the source of the danger of war.

If Korea remain divided, tensions cannot be removed in Korea completely and the situation in Asia and the rest of the world will continue to be unstable.

Fertilizer Complex Completes Workshop Upgrade

SK1009112893 Pyongyang KCNA in English 1016 GMT 10 Sep 93

[Text] Pyongyang, September 10 (KCNA)—The modernization of the electric conversion workshop of the Hungnam fertilizer complex, a leading chemical fertilizer producer of Korea, has been completed and the shop was put into operation.

The modernization of the water electrolytic process, the first process of chemical fertilizer production, was carried out with the installation of a new silicon rectification device, making it possible to increase the production of chemical fertilizers.

The participants in the modernization project developed a large- capacity silicon semiconductor chip relying on domestic raw materials and manufactured scores of electrolytic silicon rectifiers easy to handle and highly effective.

They disassembled the old heavy equipment weighing several thousand tons and replaced it with new one in one year and four months, not hindering production.

The commissioning ceremony took place on September 7, and a congratulatory message of the Central Committee of the Workers' Party of Korea to the workers and officials who had performed feats in the modernization project was conveyed.

South Korea

Reportage on Robert Gallucci's Visit in Seoul

Meets Kim Yong-sam

SK1109052793 Seoul YONHAP in English 0503 GMT 11 Sep 93

[Text] Seoul, Sept. 11 (YONHAP)—President Kim Yong-sam met with Robert Gallucci, assistant U.S. secretary of state, at Chongwadae on Saturday morning and they exchanged views on cooperation between Seoul and Washington in preparation for a third round of high-level talks between Washington and Pyongyang.

Kim said that dialogue between Seoul and Pyongyang is needed to bring about peace and stability on the Korean peninsula and that dialogue between Seoul and Pyongyang should precede the third round of high-level talks between Washington and Pyongyang.

Gallucci had the same view on the importance of resuming dialogue between South and North Korea and said the U.S. Government will have a third round of high level talks with North Korea only after South and North Korea have dialogue, an informed source said.

Briefs Kim on Talks With North

SK1109065793 Seoul YONHAP in English 0634 GMT 11 Sep 93

[Text] Seoul, Sept. 11 (YONHAP)—Robert Gallucci, assistant U.S. secretary of state for political and military affairs, said on Saturday that the United States will take a firm and clear position toward North Korea on the nuclear issue.

It was not yet time to close the door for dialogue with North Korea, Gallucci told President Kim Yong-sam when he called on him at Chongwadae [presidential offices] on Saturday morning, according to Chong Chong-uk, senior presidential secretary for foreign and national security affairs.

Gallucci, chief U.S. delegate to high-level U.S.-North Korea talks, arrived on Thursday night for consultations with his counterpart at the Foreign Ministry and with Foreign Minister Han Sung-chu.

Gallucci briefed President Kim on details of his talks with North Korea and U.S. policy on the North Korean nuclear issue.

Kim told the visitor that resolution of the North Korean nuclear problem is essential not only for stability on the Korean peninsula but also for world peace.

North Korea's attempt to develop nuclear weapons was not acceptable under any circumstances, Kim told Gallucci.

Kim expressed regret over North Korea's insincere attitude toward its talks with the International Atomic Energy Agency (IAEA) and its reluctance to resume dialogue with Seoul despite the South's repeated proposals for it.

The South Korean leader then praised Gallucci for scoring "a small but important achievement" in obtaining a promise from North Korea to continue talks with the IAEA and South Korea.

Gallucci told Kim that he had very fruitful results from his talks with officials in Seoul.

Gallucci said he was able to reaffirm that as far as the North Korean problems were concerned, the United States and South Korea had an identical purpose and strategy.

The two countries agreed that North Korea's response is passive and that conditions are not ready for a third round of U.S.-North Korean talks, he said.

Gallucci promised that the United States will continue to keep the Seoul government, especially President Kim, informed of developments in U.S.-North Korean talks.

The U.S. official leaves Seoul on Monday [13 September].

U.S. 'Considering' North Talks

SK1209075793 Seoul YONHAP in English 0747 GMT 12 Sep 93

[Text] Seoul, Sept. 12 (YONHAP)—The United States is seriously considering holding future talks with North Korea in Vienna to drive a strong message that the talks will be limited strictly to nuclear issues, a Seoul official said Sunday.

Robert Gallucci, visiting U.S. assistant secretary of state, suggested the idea during dinner with South Korean officials Saturday.

Assuming that the third round of nuclear talks will open between Washington and Pyongyang, the United States may choose Vienna where the International Atomic Energy Agency (IAEA) is headquartered, Gallucci was quoted as saying.

Gallucci is chief U.S. delegate in nuclear talks with Pyongyang. He has been in Seoul since Thursday [9 September] for consultations on the North Korean nuclear situation.

First round of North Korea-U.S. talks opened in New York and the second round in Geneva. The proposed change suggests a firmer stance on Washington's part that future talks will not deal with anything but the nuclear issue.

Gallucci Meets Deputy Premier

SK1309122393 Seoul YONHAP in English 1158 GMT 13 Sep 93

[Text] Seoul, Sept. 13 (YONHAP)—South Korea and the United States shared the view on Monday that a third-round U.S.-North Korea meeting should be the kind which would settle North Korea's nuclear issues completely.

Deputy Prime Minister Han Wan-sang and visiting U.S. Assistant Secretary of State Robert Gallucci also agreed that though it would be premature to take sanctions against North Korea, the two countries would not tolerate North Korea's time-earning strategy.

A Unification Board official said that Deputy Premier Han stressed before Gallucci that North Korea should return to the inter-Korean dialogue without setting any prerequisites.

In response, Gallucci said that the longer North Korea drags on the matter, the harder it could become for them to attain their goal, the official said.

The American chief negotiator made it express that so far as the issues of the inter-Korean dialogue and third-round U.S.-North Korea talks are concerned, there is no difference between South Korea and the United States, he added.

Gallucci Winds Up Visit

SK1309083893 Seoul YONHAP in English 0805 GMT 13 Sep 93

[Text] Seoul, Sept. 13 (YONHAP)—U.S. chief nuclear negotiator with North Korea Robert Gallucci, repeating that dialogue will continue with Pyongyang as long as it is productive, said Monday there is no working deadline on how long Washington will wait for North Korea to meet the conditions for the next talks.

"Status right now is that we do not have the basis for continuation of dialogue, the basis for the third round," Gallucci said at a U.S. Embassy press conference winding up his five-day visit to Seoul.

U.S.-North Korea dialogue will stop if it proves unproductive, Gallucci said, noting the possibility that the North Korean nuclear issue will be referred to the U.N. Security Council.

"But there is no rush to do that," he said.

Gallucci, assistant secretary of state for political- military affairs, had met North Korea through two rounds since the Stalinist state threatened to bolt from the Nuclear Non- Proliferation Treaty (NPT).

But Washington had set two conditions—that North Korea engage in substantive talks with the International Atomic Energy Agency (IAEA) and South Korea—before it would arrange the third round of talks.

North Korea and the United States had said at the last round in Geneva on July 19 that they would meet again for the third round in about two months, which would be mid-September.

However, it was agreed throughout a series of Seoul-Washington consultation sessions during Gallucci's visit that North Korea is yet to meet the two conditions.

Asked how much longer the United States is willing to wait, Gallucci said the two months were not a deadline.

"We have not set deadlines... We are not in position to set deadlines," he said.

On concerns that this strategy will allow North Korea to prolong resolution of the nuclear situation, Gallucci stressed Pyongyang "well understands" that the matter "returns necessarily " to the UNSC [UN Security Council] if the dialogue fails.

"I feel no utility at this point in defining precisely when we, together with the Republic of Korea, will decide that the route of dialogue has failed. I will not do that," said the American official.

"I do not believe that we have lost ground by engaging in this dialogue. We have made, however, the requirement that we continue to gain ground on condition for continuing the dialogue," he said.

While saying that the matter can always be returned to the Security Council, Gallucci also stressed "I would suggest that there should be no rush to do that."

He made clear there would not be even political dialogue, let alone diplomatic normalization, with North Korea until the nuclear suspicion is removed.

"I believe that is the correct way, don't believe it's going to change. I believe (North Korea) understands that," he told reporters.

The assistant secretary carefully evaded specifics on Washington's exact assessment of North Korea's nuclear capability.

"Assessment of what exact capability the North has depends on no small measure on exactly how much plutonium they have separated. This is not the only factor but it is a very important one," he said.

Just precisely how long it will take for North Korea to ultimately produce nuclear weapons and deliver them, there can be disagreements among different branches within the U.S. Government, he explained.

Daily Assesses Robert Gallucci's Visit

SK1309044293 Seoul MAEIL KYONGJE SINMUN in Korean 13 Sep 93 p 2

[Article by reporter Yi Tong-chu: "Gallucci's ROK Visit Summed Up]

[Text] The tangible result of the visit to the ROK by Robert Gallucci, U.S. assistant secretary and senior U.S. delegate to the U.S.-North Korea high-level talks, reconfirmed that the ROK-U.S. cooperative system for the resolution of the nuclear issue remains unchanged.

Assistant Secretary Gallucci's ROK visit was made at a very delicate time in the process of resolving the nuclear issue, and by reemphasizing that "the third round of the U.S.-North Korea talks will be impossible without conditions being met," it served as a warning message urging North Korea to change its attitude for the inter-Korean dialogue.

However, the original purpose of Assistant Secretary Gallucci's visit to the ROK obviously had to be altered during his actual visit.

Our side assumed that North Korea would in all probability resume inter-Korean dialogue, as agreed upon in the U.S.-North Korea Geneva talks, and was going to make policy coordination with the United States during Assistant Secretary Gallucci's visit prior to the third round of talks scheduled for the middle of September.

However, North Korea set a precondition to the working delegates' contact for the inter-Korean exchange of special envoys, which seemed to be about to be realized, demanding that the South abandon nuclear war exercises and the international joint cooperative system. With this delaying tactic employed by the North, the ROK- U.S. consultation was focused on grasping the North Korean intent and on whether the United States should go to the third round of talks.

At the ROK-U.S. consultative meeting, the two sides made a joint assessment of the North Korean attitude based on the results of the fruitless Pyongyang meeting early this month between the North Korea and the International Atomic Energy Agency [IAEA]. At the consultative meeting, the suspicion of the North Korean incredibility deepened.

As to the North Korean intent, the two sides put forth analyses, including that of the internal situation of North Korea, and the two sides agreed that North Korea may intend to postpone the U.S. North Korea talks until after the IAEA board meeting on 22 September.

Not to provoke North Korea, our government is refraining from making specific comments on the developments that could come in case the third round of U.S.-North Korea talks should be aborted, but hopes that Assistant Secretary Gallucci's ROK visit will prompt North Korea to assume a positive attitude toward the resumption of inter-Korean dialogue.

Article on U.S. Strategy To Counter North

SK1309022093 Seoul CHOSON ILBO in Korean 13 Sep 93 p 1

[Article by reporter Kang Yong-won]

[Text] Breaking from the previous passive defensive strategy of deploying additional U.S. troops only in the case of North Korea's southward aggression, the ROK and the United States have recently completed an active defensive operational plan to deploy U.S. troops and equipment on the Korean peninsula in advance when there is an indication of a North Korean invasion of the South. This was revealed on 12 September.

It was also learned that the ROK and the United States have already successfully completed testing of this operational concept, called "the new operational plan 5027," in the Team Spirit exercise conducted early this year and the Focus-Lens exercise in August.

The ROK and the United States completed this operational plan after nearly one year's research and review. According to this plan, the armed forces of the two countries will detect North Korea's war provocation moves at least one to four days in advance by utilizing ultramodern early warning measures. They will thus deploy in a phased manner the U.S. troops stationed in Japan and in the Pacific and even U.S. troops and equipment in the U.S. mainland in order to deter a North Korean war provocation attempt in advance.

Such an essential change in the operational plan is based on the agreement reached on the Flexible Deterrence Option between defense ministers of two countries during the ROK-U.S. Annual Security Consultative Meeting held last year.

The official early warning capability of the armed forces of the two countries is learned to be only 12 to 16 hours. However, the ROK and the United States are, in actuality, always watching 200 to 300 important military facilities and traffic assembly sites in North Korea through intelligence satellites, aircraft, and communications tapping. As a result, they are capable of detecting war provocation several days in advance. A relevant high-ranking official in the Ministry of National Defense said that the report carried recently by press in Hong Kong stating that "the ROK and the United States are reviewing an advance attack even before a North Korean war provocation, if necessary" is a misrepresentation of this strategy.

U.S. Former Envoy Cited on 1973 Abduction Case

SK1309020593 Seoul CHOSON ILBO in Korean 13 Sep 93 p 3

[Article by reporter Yang sang-hun]

[Text] It has been learned that in 1973, after the Kim Tae- chung abduction case occurred, then U.S. Ambassador Habib visited Chongwadae [presidential residence] and held talks with then President Pak Chong-hui. The Democratic Party [DP] committee investigating the abduction case met Former U.S. Ambassador to the ROK Gregg at a hotel in Seoul on 12 September and heard the testimony, according to a report. Mr. Gregg was the head of the U.S. CIA Seoul branch when the abduction occurred.

It has been learned, however, that Mr. Gregg did not disclose the particulars of the conversation between Ambassador Habib and President Pak at Chongwadae. As to the particulars of the conversation, the DP investigation committee guessed that Ambassador Habib had requested that President Pak rescue Mr. Kim Tae-chung. Mr. Gregg said that he heard for the first time from Ambassador Habib about the abduction immediately after the abduction occurred. Ambassador Gregg is said to have said, "I came to know about the abduction for the first time when Ambassador Habib called me and told me about the abduction."

In referring to the aircraft [hanggonggi] which appeared over the Yonggumho, the boat which was used for the abduction, Mr. Gregg is reported to have said, "definitely, it was not a U.S. aircraft."

This testimony contradicts the speculation to date that a U.S. aircraft appeared over the Yonggumho and, threatening the boat, stopped Mr. Kim Tae-chung from being thrown into the water to death. Mr. Gregg did not disclose the nationality of the aircraft, thus failing to confirm the recent media report that the airplane [pihaenggi] which stopped Mr. Kim from being murdered was an ROK airplane.

Mr. Gregg is reported to have said that he was aware of the danger threatening Mr. Kim's personal security because of his antidictatorship speeches in the United States and Japan.

The DP investigation committee is to disclose Mr. Gregg's testimony at the National Assembly on 13 September.

Seoul 'Welcomes' Israeli-PLO Agreement

SK1109023993 Seoul YONHAP in English 0140 GMT 11 Sep 93

[Text] Seoul, Sept. 11 (YONHAP)—The South Korean Government welcomes the accords on mutual recognition between Israel and the Palestine Liberation Organization (PLO) and on autonomy for Palestinians in the Israeli-occupied West Bank of Jericho and the Gaza Strip, Foreign Ministry spokesman Yu Myong-han said Saturday.

"The Korean Government anticipates the agreements will serve as an epochal starting point for a comprehensive solution to the Middle East conflict, including Palestinian problems," Yu said in a statement.

"We think highly of the efforts by Israeli and PLO authorities to realize the accord despite all odds... We hope the agreement will greatly contribute to not only peace and stability of the Middle East but also to world peace," the statement said.

Seoul To Make Mideast Policy

SK1109083193 Seoul YONHAP in English 0526 GMT 11 Sep 93

[Text] Seoul, Sept. 11 (YONHAP)—As Israel and the Palestine Liberation Organization (PLO) signed an agreement on mutual recognition Friday [10 September], the South Korean Government began to forge a new diplomatic policy toward the Middle East.

The government rated the agreement important in helping peace to take root in the Middle East and is actively studying ways to resume government-level exchanges with Israel.

It plans to watch the situation for the time being and then decide the pace of resumption of relations with Israel, judging that some hard-line Arab countries may react against the mutual agreement.

As to the request by Israeli Foreign Minister Shim'on Peres that it provide financial support for development of Israeli-occupied areas, the government is expected to study Israeli construction projects and screen some of them for selective support. Cash support, however, would be difficult, according to a Foreign Ministry official.

"If Israel and the PLO succeed in removing the deadly feud, a second special demands for reconstruction of the Middle East is expected. For the long run, we are studying how to actively participate in the Middle East reconstruction projects," an official said.

A construction boom is expected in the Middle East, including Lebanon and Israeli-occupied areas, and the government will discuss with related ministries and South Korean businesses' possible participation in the construction.

The government will consider establishing an embassy in Israel as the Korean Embassy in Italy currently covers Israel as well. Israel closed its embassy in Seoul in 1978 in a protest against Seoul's close relationship with Arab countries, but reopened the embassy last year.

"It is true that we (South Korea) have not exchanged active diplomatic activities with Israel so far, considering the feud between Israel and Arab countries, though we established diplomatic relations with Israel a long time ago, in 1962," a senior official said.

"The mutual recognition will serve as momentum to remove the barrier between South Korea and the region."

Considers Financial Help

SK1109025993 Seoul THE KOREA TIMES in English 11 Sep 93 p 2

[By staff reporter Chae Hi-muk]

[Text] The government is expected to bear some of the financial burden of the settlement of the Palestine Liberation Organization (PLO) in Israeli-occupied territory, as Israel and the PLO Thursday [9 September] reached an agreement on mutual recognition, ending 30 years of hostility.

A Foreign Ministry official said questions remain only about how much and in what way Korea will contribute to the economic development of the Gaza Strip and the City of Jericho in West Bank of Jordan where the autonomous PLO state will come into being.

Israeli Foreign Minister Shimon Peres Tuesday telephoned his Korean counterpart Han Sung-chu to seek support for the economic development of the Israel-occupied territory. This is an initial signal there will be a formal request for help with the peace settlement in the Middle East.

Peres has been busy requesting other countries to contribute to the settlement of the peace.

The ministry official requesting anonymity said that the United States, a mediator of the Middle East peace talks for decades, is expected to formally request the support, probably a financial contribution for the settlement of Palestinians.

Korea will be unable to donate "much" cash due to a variety of problems facing the nation, the official said, adding that no one knows the amount which will be requested at present.

The government has been under a barrage of criticism in connection with former president No Tae-u's pledge to giver $3 billion in loans to the Soviet Union.

As much as $1.530 million has already been extended although the government recently announced it was suspending the remainder.

Another reason for caution is that Korea has been experiencing an economic slowdown for the past several years, suffering deficits in balance of international payments.

Korea should also prepare for the reunification of the peninsula which is expected to be realized in the near future Foreign Ministry officials said.

An official said, "The settlement of peace in the Middle East will contribute to peace in other regions, including the Korean peninsula which is in high tension. It is natural for Korea to contribute to peace in the Middle East. But the burden should not be beyond our ability to pay."

Korea had been burdened with contributions in both cash and equipment in connection with the Gulf War and has dispatched 500 engineers to the peace-keeping operations (PKO) in Somalia in an effort to play a role for peace.

But the Middle East case is different from previous ones, the observer said, adding that the parties involved, including Israel, should shoulder the lion's share of the burden as the conflict was created by them.

The Jewish Fund managed by Jews throughout the world should be used to reconstruct the PLO's autonomous region, the observer recommended. A number of world's renowned business conglomerates are managed by Jews, he added.

An estimated $12 billion will be required to help the PLO settle on the Gaza Strip and the West Bank of Jordan, assuming that some 300,000 to half a million Palestinians gather there, according to news reports.

The United States has already put pressure on regional bodies, including the six-member Gulf Cooperation Council (GCC) and the European Community (EC), to donate money. Japan is expected to be one of the largest donators as it is the richest nation.

What matters in the collection of money is what organs or nations will play what roles, he said. He predicted that the World Bank is expected to assume the main functions, not the United Nations.

The collection of money will not take place in a short period if the U.N. assumes the functions as it takes longer time in gathering consensus from the large number of members, he forecasts. The United States is also expected to initiate the role as seen in the Gulf War.

The Korean government is expected to contribute through a third body rather than directly to the PLO or Israel, if it is realized.

Another Foreign Ministry official said that it is better for Korea to join in the construction work of social infrastructure, including roads, railways and irrigations rather than to pay money.

This will help Korean firms cooperate with Israel and the PLO, he added. In another case, Israel should commit itself to providing technology transfers to Korea in return for contribution to the settlement of the PLO, he noted.

An inter-ministerial meeting is expected to be held to discuss the issue once formally requested, the ministry official said.

"But the matter should be dealt with based on a consensus by the public, because this is a non-military government" he commented.

Considers Mission in Israel

SK1209030893 Seoul TONG-A ILBO in Korean 12 Sep 93 p 1

[Text] With Israel and the Palestine Liberation Organization mutually recognizing each other, the government has decided to positively consider the issue of establishing a diplomatic mission in Israel.

The government has also decided to consider, according to the international trend in the future, the issue of recognizing as a formal state the PLO, which has decided to form an autonomous government.

Israeli Envoy Requests Help for Palestine Area

SK1309121493 Seoul KBS-1 Radio Network in Korean 1100 GMT 13 Sep 93

[Text] Asher Na'im, Israeli ambassador to the ROK, urged the ROK Government to support the restoration work of the Palestine region occupied by Israel and asked ROK businesses to actively advance into Israel.

While making a speech at the Seoul National University on the afternoon of 13 September commemorating the mutual recognition between Israel and the PLO, Ambassador Na'im said restoration of the Palestine region bordering Israel is imminent after the peace agreement between Israel and the PLO is established. He also asked for the ROK Government's support regarding this matter. By using the peaceful atmosphere being created in this region, he hoped that the ROK's businesses will more actively advance into this region.

Ambassador Na'im continued to explain that this agreement was possible because of the collapse of the Communist bloc, including the Soviet Union which had supported the PLO, and because of the political weakness of the Arab countries. He said that Israel is currently promoting negotiations for peace not only with the PLO but also with other Arab countries.

Indian Prime Minister Rao Considers Seoul Visit

Kim Yong-sam Fetes Rao

SK1009120293 Seoul YONHAP in English 1147 GMT 10 Sep 93

[Text] Seoul, Sept. 10 (YONHAP)—President Kim Yong-sam hosted a banquet for visiting Indian Prime Minister Narasimha Rao at Chongwadae [presidential residence] Friday evening.

In his table speech, President Kim said closer cooperation is needed between the two countries more than ever before to enhance the welfare of peoples and address such global issues as arms reduction, environmental protection and the elimination of poverty.

"I am confident that your visit to Korea will provide a great momentum to our common endeavors," Kim said.

The president said that given the relatively large size of the two economies, he is positive that bilateral economic relations between the two countries could be further strengthened.

Prime Minister Rao, in his remarks, said common elements in the two countries' positions and approaches to the changing international situation, particularly in Asia, provide many opportunities for India and South Korea to work together to mutual benefit.

Saying that India is committed to broadening and intensifying reform programs, the Indian premier said India would welcome more Korean businesses to come to India and take part in economic development programs.

Further on Kim-Rao Banquet

BK1009131693 Delhi All India Radio Network in English 1230 GMT 10 Sep 93

[Text] India and South Korea today expressed their determination to embark on a new era in their relationship. Speaking at a banquet hosted in his honor by the South Korean president, Mr. Kim Yong-sam, in Seoul, the prime minister, Mr. Narasimha Rao, said that the revolutionary changes in the international scene have provided fresh opportunities to the two countries to build a strong relationship in the political, economic and cultural fields. Inviting Korean businessmen to come to India, the prime minister assured them that the sweeping reforms of the Indian economy will be further broadened. On peaceful reunification of the two Korea's, Mr. Rao said India is convinced that early realization of this goal will be an important factor for peace in Asia and the world as a whole.

President Kim Yong-sam said that South Korea will pursue closer economic cooperation with India and other Asian countries. He said the economic reforms in India have opened up new opportunities. Closer cooperation between the two countries is needed now more than ever before to address global issues including arms reduction, environment protection and the elimination of poverty.

Earlier, at the first-ever summit between the two countries, Mr. Narasimha Rao and Mr. Kim surveyed the emerging economic liberalization in both the countries. At the 90-minute summit, both the leaders found many areas of cooperation in international fora including in the current Uruguay Round of GATT negotiations. The two leaders discussed the nuclear nonproliferation issue. After the summit, India and South Korea signed three agreements for cooperation in tourism and in the cultural and scientific fields.

Rao Meets Three Industrialists

SK1109023693 Seoul YONHAP in English 0111 GMT 11 Sep 93

[Text] Seoul, Sept. 11 (YONHAP)—Indian Prime Minister Narasimha Rao discussed ways to promote private-level economic cooperation and exchange in separate meetings with three leading South Korean industrialists on Friday [10 September].

Lucky-GoldStar Chairman Ku Cha-kyong, Hyundai Chairman Chong Se- yong and Daewoo Vice Chairman Yi Kyong-hun each talked to the Indian premier for about 20 minutes.

Rao told all three that he hoped they would invest in India's development of social infrastructure and that the Indian Government was improving various systems to induce foreign investment, according to group officials.

It would be good for Korean businesses to invest in India as soon as possible, he told them.

Ku told Rao that his group would study ways to invest in the fields of electric and electronic industries, communications and petrochemicals while Chong exchanged views with him on Indian oil field development and joint investment in shipbuilding.

Yi told the premier that he would actively study investment in social infrastructure, including roads, ports, railways and communications.

Urges Private Cooperation

SK1109024593 Seoul YONHAP in English 0215 GMT 11 Sep 93

[Text] Seoul, Sept. 11 (YONHAP)—Indian Prime Minister Narasimha Rao told a breakfast meeting Saturday that he thought India and South Korea should expand ties by boosting cooperation at the private level.

Former prime minister Kang Yong-hun, ruling Democratic Liberal Party secretary-general Hwang Myong-su, Government Administration Minister Choe Chang-yun and Rep. Kim Yun-hwan were at the breakfast, sponsored by the Korea-India friendship association.

In introductory remarks, association head Yim Tok-kyu asked Rao to invite the presidents of South and North Korea to New Delhi for the first Seoul-Pyongyang summit.

Rao did not comment on the request, but addressed the need to expand cooperation between India and Korea at the private level.

Rao met with foreign minister Han Sung-chu after the breakfast and they discussed issues of common interest. He later met with business and Buddhist leaders.

Discusses North Nuclear Policy

SK1109062993 Seoul YONHAP in English 0610 GMT 11 Sep 93

[By Yi Tong-min]

[Text] Seoul, Sept. 11 (YONHAP)—It should be left up to North Korea to solve its own nuclear problem and decide its own nuclear policies, Indian Prime Minister Narasimha Rao said Saturday.

His visiting Seoul did not affect India's friendly relations with both South and North Korea nor reflect any change in attitude toward North Korea, Rao told YONHAP in an exclusive interview.

He said that he has a standing invitation from Pyongyang and "I would certainly like to visit North Korea at my earliest convenience."

After visiting China, Rao became India's first prime minister to visit South Korea in 20 years of diplomatic relations and as many years of official relations with North Korea as well.

"We are as friendly with North and South Korea as we have ever been," Rao said when asked if his visit signified a change in India's pro-Pyongyang stance.

"India and North Korea are both members of the Non-aligned Movement and in that context, we have been working closely in the Non-aligned Movement," he told YONHAP.

"This (visit) is not at all against any other country... or reflection of any changing attitude toward North Korea."

He refused to give any comment on North Korea's nuclear issue.

"That is a problem for North Korea to sort out...It is not for me to comment," Rao said.

"I have no detail on what is going on between North Korea and the IAEA (International Atomic Energy Agency)... all I can say is what we stand for."

India, suspected of its own nuclear development, is not a member of the Nuclear Nonproliferation Treaty but is a governor on the IAEA board.

The prime minister repeated India's official position that it is against proliferation of nuclear weapons and wants to see all such weapons eliminated from the world.

Asked about the invitation to North Korea, he said he would like to go.

"I was invited several times and I said I will go," he said. "I've told this to the North Korean Ambassador in New Delhi."

The prime minister expressed his satisfaction at his "useful talks" with President Kim Yong-sam, Prime Minister Hwang In-song and, especially, the business community, which showed great interest in going to India for investment and joint venture.

He said he had created the right atmosphere for India-South Korea economic cooperation.

"I hope that this visit will prove to be very propitious," Rao said, adding that it was now up to private businessmen to pick up on the specifics.

Leaves Seoul 11 Sep

SK1109114993 Seoul YONHAP in English 1126 GMT 11 Sep 93

[Text] Seoul, Sept. 11 (YONHAP)—Indian Prime Minister Narasimha Rao left Seoul aboard a chartered plane on Saturday afternoon winding up his three-day official visit to Korea.

During his stay in Seoul, Prime Minister Rao had a Korea-India summit meeting with President Kim Yong-sam to exchange opinions on ways to expand their countries' cooperative relations.

Shortly before his departure on Saturday, Prime Minister Rao received a visit by Foreign Minister Han Sung-chu, during which the Indian leader called, among other things, for close bilateral cooperation in preventing nuclear proliferation in the world.

At noon Saturday, Rao had a working luncheon with Indian mission chiefs in the Northeast Asia area at the Hotel Shilla where he was staying.

Expresses 'Satisfaction'

BK1109131893 Delhi All India Radio Network in English 1230 GMT 11 Sep 93

[Text] India and South Korea have expressed satisfaction on the outcome of the prime minister, Mr. Narasimha Rao's visit to Seoul. In an interview with our Southeast Asia correspondent, Nallamuthu, Mr. Rao said he had cordial, warm, and fruitful discussions with the South Korean leaders and businessmen. His visit, the first-ever by an Indian prime minister in itself, has been a significant event. There has been a lot of gain on the economic side and Mr. Rao said necessary political backing will be given by government for promoting trade and investment with South Korea. The South Korean foreign minister, Dr. Han Sung-chu, told our correspondent after calling on the prime minister, Mr. Rao, today that South Korea now looks forward to vastly improve relations with India.

Yi Yang-ho Returns From Russia; Discusses North

SK1309115493 Seoul YONHAP in English 1131 GMT 13 Sep 93

[Text] Seoul, Sept. 13 (YONHAP)—Russia is opposed to North Korea's policy of pursuing unification by force of arms, and wants to cooperate with South Korea in deterring North Korea's nuclear arms development, a top South Korean military leader who has just been to Moscow said on Monday.

Gen. Yi Yang-ho, chairman of the Joint Chiefs of Staff, told a press conference that Defense Minister Pavel Grachev and other Russian military leaders were supporting South Korea's peaceful unification policy instead of North Korea's policy for unification under communization achieved through the force of arms.

Saying that Russia called for closer military cooperation with South Korea, Gen. Yi, who visited Moscow on Sept. 5-12, said that Russia seems believing that peace in Northeast Asia is a must for their badly needed economic development.

The Russian military leaders, in particular, proposed a joint Korea-Russia naval training exercise as part of closer bilateral military cooperation, he said.

This is the first time Russia called for joint military exercise with South Korea since the two countries normalized relations in September 1990.

The two countries also agreed to conclude a more extensive bilateral memorandum on military exchanges as the current memorandum expires toward the close of this year, Gen. Yi said.

To this end, he said, the two countries will hold a working-level military meeting some time in the rest of the year.

Yi was the first chairman of the South Korean Joint Chiefs of Staff ever to visit Russia.

Deng Xiaoping's Daughter Arrives in Seoul

SK1209143193 Seoul KBS-1 Television Network in Korean 1222 GMT 12 Sep 93

[Text] Deng Lin, artist and eldest daughter of the PRC's top leader Deng Xiaoping, arrived in the ROK on 12 September to attend the exhibition of four modern Chinese artists organized by the Korea Broadcasting Systems [KBS] to commemorate the first anniversary of the establishment of diplomatic relations between the PRC and the ROK. Following is a report by Han Sang-tok:

[Begin recording] [Han Sang-tok] The eldest daughter of the PRC's top leader, Deng Xiaoping, arrived in the ROK on the afternoon of 12 September via Asiana Airline's Tianjin-Seoul flight. She looked healthy, wearing a bright and colorful outfit on her rather small build. Ms. Deng Lin is visiting the ROK to attend the exhibition of four modern Chinese artists organized by KBS and the Kolon Group to commemorate the first anniversary of the establishment of diplomatic relations between the PRC and the ROK. She is a leading artist in the PRC and holds the title of president of the Oriental Art Exchange Society. She is also a leader in promoting Chinese arts overseas.

During a news conference, Ms. Deng expressed her hope that the exhibition in Seoul will help people understand Chinese modern art. She also requested that political questions be avoided and emphasized that her father is healthy.

[Deng Lin] I think it is wrong to judge from outside rumors. My father is living a normal life of an old man.

[Han] Ms. Deng has concentrated on abstract Oriental painting works which adds modern colors on traditional Chinese painting. She received attention from the world's artists when her paintings were sold at approximately 40 million won apiece during her personal art exhibition held in Hong Kong last year. Accompanied by China's leading artists, including (Long Shao), (Xiao Lin), and (Zhao Wei), Deng is scheduled to visit the National Central Museum, Hyundai Gallery, and cultural sites in Kyongju during her stay in Korea until 26 September. [end recording]

Tourists From PRC Undergo 'Mass Desertion'

SK1109012893 Seoul THE KOREA TIMES in English 11 Sep 93 p 3

[By staff reporter Pak Mu-chong]

[Text] The mass desertion of 115 Chinese tourists from their tour groups in Seoul since their arrival Monday [6 September] was what government authorities and tourist experts have been worried about.

The incident is expected to affect tourism relations between South Korea and China which are just in their infancy.

In particular, the unprecedented case delivers a greater shock in that the Chinese deserters were recruited by the Chinese International Tourism Service (CITS) which is a state organ.

Transportation Ministries initially presumed that the Chinese visitors, known to be fluent in Korean, were seeking to find jobs in Seoul illegally.

They also suspected that there might be some professional organizations of brokers for the illegal job seekers from China.

Such an incident took place for the first time after the government permitted group tours by Chinese citizens on July 1 on the occasion of staging the '93 Taejon Expo.

Until then, the government did not permit group tours by Chinese citizens as ethnic Koreans living in China found jobs illegally as well as staying with authorization, thus causing various social problems.

However, the government changed the tight policy at the strong request of local travel agencies.

With the Expo and '94 Visit Korea Year, the travel agencies asked the government to allow the Chinese group tours to help them reduce what they claimed were snow-balling deficits.

The government accepted their demand after preparing various provisos on punitive measures against the agencies in case their Chinese clients secede from their groups out of the control of the agencies.

The ministry officials said that most of the Chinese tourists who came here at the arrangement of Ajou Tour Co. in Seoul might be ethnic Koreans in that they speak Korean fluently and they are from Jilin Province and the Korean Autonomous Prefecture of Yanbian having many Korean-Chinese residents.

They said it would be almost impossible to identify the ethnic Koreans only with documents.

As of yesterday afternoon, two of the 115 deserters returned to their hotels, they said.

The incident is likely to make the government restrict group tours from China in that it has no special countermeasures to prevent such an incident in the days to come, they said.

The Chinese government is also expected to curb their citizens' tours to South Korea, which is not a free travel zone of China, and the attraction of Chinese tourists would hit a snag.

The Chinese deserters' visas are valid for 15 days.

The government will make its final policy on how to deal with the deserters who do not come back before the visas are nullified, they said.

The number of visitors to each other's country has been on a sharp rise since South Korea and China established full diplomatic ties in August, 1992. Following the normalization of diplomatic ties, China has also emerged as South Korea's third largest trading partner.

Officials Discuss Tourists

SK1309032293 Seoul YONHAP in English 0247 GMT 13 Sep 93

[Text] Seoul, Sept. 13 (YONHAP)—Officials from the government and tourism industry discussed Saturday [11 September] what to do about a group of Chinese tourists who fled their guides and disappeared, and how to prevent a repeat of the incident.

The chief of the exit and entry control bureau of the Justice Ministry presided over the meeting, which was attended by officials from the presidential staff, the Agency for National Security Planning, the Foreign Ministry, the Transportation Ministry, the National Police Agency, the Korea Association of General Travel Agents (KATA) and AJU Tours Co.

Restrictions were lifted on July 1 and Chinese tourists were allowed to visit as members of organized group tours. On Sept. 6, a group organized by Seoul's AJU tours arrived in Seoul and 122 members fled almost as soon as they arrived.

Individual Chinese tourists are still barred.

The meeting concluded that there was nothing that could be done to prevent tourists from running away from their tour groups, and decided to listen to the 28 companies designated by the government to handle Chinese group tours.

Chinese who want to visit in a group are required to send their names to the Korean Justice Ministry through a tourist agency designated by the Transportation Ministry to get a certificate of confirmation that they are part of a tour group.

According to sources, some of the tourists who broke away from the AJU group had forged passports and in China there may be gangs that make fake travel documents and help people with forged passports to leave China.

Travel firms fear that the government will take strong measures to regulate the entry of Chinese tour groups if another group of tourists disappears.

Since the breakaway, some travel companies have decided not to sell group tours to Chinese nationals for the time being.

Mozambican, Vietnamese Officials To Visit Seoul

SK1109090293 Seoul YONHAP in English 0725 GMT 11 Sep 93

[Text] Seoul, Sept. 11 (YONHAP)—Mozambique Minister of Cooperation Jacinto Soares Veloso is scheduled to visit Seoul on Sept. 13.

The Foreign Ministry reported on Saturday [11 September] that during his stay here through Sept. 17, Minister Veloso will meet Vice Foreign Minister Hong Sun-yong and some other senior government officials to discuss ways to develop cooperative relations between the two countries.

South Korea and Mozambique normalized diplomatic relations on last Aug. 11 and Veloso will be the first senior official of the African country to visit Korea.

Meanwhile, Do Quoc Sam, chairman of the State Planning Commission of Vietnam, will visit South Korea Sept. 13-17 at the invitation of Deputy Prime Minister Yi Kyong-sik.

The Economic Planning Board said Chairman Do will confer with Yi and other economic ministers to exchange opinions on ways to promote bilateral economic cooperation.

Do is also scheduled to visit the Kwangyang iron works, a Lucky- Goldstar Plant at Yochon and the Daewoo shipyard near Okpo.

Vietnam Agrees to Council

SK1309121693 Seoul KBS-1 Radio Network in Korean 1100 GMT 13 Sep 93

[Text] The ROK and Vietnam have agreed to form an economic cooperative council to help private businesses advance into each other's country.

Do Quoc Sam, chairman of the Vietnamese State Planning Committee, who is currently visiting the ROK, met with Kang Pong-kyun, director of the International Policy Coordination Office of the Economic Planning Board, on the afternoon of 13 September. They agreed to form an economic cooperative council.

In this connection, the government plans to dispatch a delegation from our side to Hanoi sometime next month at the latest to exchange a memorandum on the forming of the cooperative council. This council will make it possible to exchange economic information between the two countries and play the role of solving various difficult problems that arise when private businesses advance into each other's country.

Defector Discusses 'Food Shortage' in North

SK1009140593 Seoul KBS-1 Television Network in Korean 1236 GMT 10 Sep 93

[Text] It has been learned that North Korea, facing an extreme food shortage, has recently waged a food savings campaign and is rationing rice even more. An Myong-chin, who worked as an intelligence trainer in southward operations and defected on 4 September, revealed this during a news conference.

Reporter Yi Mun-su reports:

[Begin recording] [Yi] An Myong-chin, who had been working as an intelligence trainer in North Korea's southward operations, defected to South Korea across the Demilitarized Zone on 4 September. He held a news conference with foreign and domestic reporters at the National Defense Ministry today.

At the news conference, he exposed that a broad food savings campaign is being waged in North Korea as the food situation has been aggravated further.

[An] The rice ration for each adult used to be 700 grams. However, after the food savings campaign, a patriotic rice campaign, a People's Army assistance campaign, and the like were waged, only 500 grams are given to each adult, and each child receives some 300 grams.

[Yi] He went on to say that he has not actually witnessed food riots, but he heard that residents had beaten up an operative in the Hamhung municipal distribution center, calling for a larger food ration.

In connection with the North's nuclear issue, he stated that the authorities are educating the North Korean residents in a way that the patriots do not mention the existence of nuclear weapons even if they did exist. [end recording]

Office Cancels Kim Yong-sam's Assembly Speech

SK1209075393 Seoul YONHAP in English 0706 GMT 12 Sep 93

[Text] Seoul, Sept. 12 (YONHAP)—The presidential office Chongwadae canceled President Kim Yong-sam's first National Assembly speech scheduled for Monday [13 September] after ruling-opposition dispute threw off the entire assembly session Sunday.

Floor leaders of ruling Democratic Liberal Party (DLP) and opposition Democratic Party (DP) attempted last-minute settlement to normalize the National Assembly but failed.

A Chongwadae official lashed out at the failed negotiations and blamed the DP for using Kim's speech to force a political concession from the DLP.

The DP insisted as a condition to assembly normalization that the assembly investigation continue for another 10 days on the controversial Yulgok (military modernization) project in which scores of former administrative officials and presidential aides are suspected of irregularities.

It also insists that the assembly consider summoning former Presidents Chon Tu-hwan and No Tae-u on the Yulgok case.

DLP flatly rejected, demanding unconditional normalization of the National Assembly.

Monday's speech would have been Kim's first at the assembly since taking office last February.

Chongwadae officials said they once considered having the president deliver the speech on television instead but say even this is not likely.

Ruling and opposition lawmakers are, however, expected to come together on Tuesday when French President Francois Mitterrand will address the National Assembly during his Seoul visit.

Presidential aides said the 40-minute speech was prepared from mid-August and received Kim's approval after three sets of revisions.

Chongwadae sent out notices to foreign mission chiefs from Sunday on cancellation of the speech.

Kim Yong-sam Expresses Views on Unification

SK1309114893 Seoul YONHAP in English 1126 GMT 13 Sep 93

[Text] Seoul, Sept. 13 (YONHAP)—President Kim Yong-sam said on Monday that if North Korea's nuclear issues were resolved, a South-North summit and exchanges could take place.

The president made the remarks at a tea party he hosted at Chongwadae's "Nokchiwon" garden for about 900 overseas regional members of the Advisory Council on Democratic and Peaceful Unification who were in Seoul attending an Advisory Council meeting.

"This is no time for us to long for unification based on sentimentalism. If unification were achieved, it should be a kind that can ensure happiness and freedom for the entire Korean people," the president said.

To this end, he said, North Korea should stop developing nuclear arms at once.

Noting that Germany is experiencing difficulties following national integration, President Kim said he does not want a unification through the absorption of North Korea.

"The kind of unification I opt is a peaceful unification realized through genuine dialogue," he said.

A total of 902 out of the 1,146 overseas members of the Advisory Council attended the meeting, most of them at their own expenses.

Prosecutor General Pak Chong-chol Resigns

SK1309042893 Seoul KBS-1 Radio Network in Korean 0400 GMT 13 Sep 93

[Text] President Kim Yong-sam accepted the resignation of Prosecutor General Pak Chong-chol which was submitted this morning through the Minister of Justice.

It was learned that Prosecutor General Pak Chong-chol has submitted his resignation by taking the responsibility for what was pointed out by public opinion toward the prosecution in connection with the recent opening of personal assets.

With the resignation of Prosecutor General Pak, a considerable number of high-ranking prosecution officials above the level of director of district prosecutor's office will soon clarify their attitude. Accordingly, a large-scale personnel reshuffle within the prosecution authorities will be inevitable.

Prosecutor General Pak Chong-chol took office last March and has a year and a half left in his term of office.

* Reform Shifts Power Center in Military

932C0189A Seoul SIN TONG-A in Korean Aug 93 pp 204-215

[By reporter Yi Sang-ki]

[Text] What time could it be now by the Ministry of National Defense [MND] clock? As of July, five months after the new government set sail, no organization finds itself in such a vortex of change as the military does. The shake-ups hitting the MND time and again, combined with the auditing and inspection of the Yulgok defense buildup program, have plunged the military—a virtual sanctuary for 30 years under the military leaders turned presidents—into the maelstrom for months now.

In reference to the present status of the military, thoroughly stripped and torn up by the civilian government, some even say unhesitatingly that "the military is shaken up to the heart." Changes in the military that began on 8 March with the blitz dismissals of Kim Chin-yong as Army chief of staff and So Wan-su as commander of the Defense Security Command [DSC] by President Kim Yong-sam's orders escalated to bribery scandals involving military promotions in late April, and to forced retirements of officers involved in the "12 December 1979, coup d'etat-like incident." And these mammoth shake-ups were followed by the "Yulgok scandal," which came to a close for now with a 9 July announcement of the Board of Audit and Inspection [BAI] on the outcome of its probe. All this shook the military to its foundations.

Take a look at typical changes generated by personnel shake-ups. The 1 March 1993, version of the "Rank-Based List of General-Grade Officers," published annually by the MND, lists in the section of four-star generals nine persons altogether—Army Generals Yi Pil-sop, Kim Chin-yong, Kim Tong-chin, Kim Yon-kak, Ku Chang-hoe, Cho Nam-pung, and Kim Chae-chang; Admiral Kim Chol-u, and Air Force Gen. Yi Yang-ho. But now, only three of them remain on the active list—Kim Tong-chin, Kim Chae-chang, and Yi Yang-ho.

Others were forced to hang their uniforms as the new government's program to remove "politicos"—officers involved in the Hanahoe secret group scandal and the 12 December incident—from the military made headway. Thus came the retirement of Yi Pil-kyu, chairman of the Joint Chiefs of Staff [JCS], in the 24 May shake-up related to the "12 December coup d'etat"; Kim Chin-yong, Army chief of staff, in the first Kim Yong-sam [YS] military shake-up of 8 March; Kim Yon-kak, commander of the 2d Army, and Ku Chang-hoe, commander of the 3d Army, in the 8 April shake-up, and Kim Chol-u, chief of Naval operations, in one of the follow-up bribery cases involving promotions of Naval officers.

Meanwhile, in the case of Kim Chin-son, promoted on 8 April to the rank of full general and appointed commander of the 2d Army, he had been in that rank and job for less than 50 days when forced to retire for suspected involvement in the 12 December incident. The surprise dismissal of Gen. Cho Nam-pung, effective 13 July, in particular signaled the complete collapse the secret Hanahoe clique.

Kim Chol-u was found having received 300 million won in bribery in connection with the Yulgok program, by BAI officials investigating the program. Referred to the prosecution, the former top officer of the Navy has been reduced to a suspect in a criminal case bound for prison if convicted. Since the BAI inquiry, he reportedly has shown the symptoms of "aphasia," seldom opening his mouth.

Besides those four-star officers, numerous generals were fired by YS who, during the campaign, had to face allegations over his failure to fulfill military service. A typical case is Lieutenant Gen. An Pyong-ho, former commander of the Capital Defense Command, once called "the top Hanahoe power of the Sixth Republic," who had the military at his beck and call, in the latter half of the Sixth Republic era in particular.

The influence An Pyong-ho wielded was so mighty that rumors persisted that "when the time comes around for the annual personnel reshuffles, senior and junior officers, not to mention his contemporaries, made lines in front of his house" to solicit for his good offices. He left the Capital Defense Command post on 2 April, then served as deputy commander under 2d Army Cdr. Kim Chin-son until he and Kim Chin-son were both branded politicos on the same day for the same reasons and disappeared from the stage.

Also among them was Major Gen. Pak Chong-kyu (the Military Academy 23d class), whose last position was commander of the 56th Division. He was a battalion commander of the 1st Airlift Brigade when the 12 December coup d'etat occurred in 1979. On that day, he went to take into custody Chong Pyong-chu, then commander of the Special Force, by order of his brigade commander, Choe Se-chang, and in the process he shot to death Maj. Kim O- rang, Chong's chief secretary. Pak and Maj. Kim had been living like brothers in the same apartment for Special Force personnel in Koyodong, Seoul. Pak later confessed that he had been suffering from a guilty conscience since the killing. He reportedly told people after his discharge that he would become "a model taxi driver or something like that."

The Navy experienced the worst shocks and frustrations from the YS-ordered purge. Some people say that the series of shake-ups that began in late April with alleged involvement of former Chief of Naval Operations Kim Chong-ho (currently in detention for involvement in promotion-related bribery cases) were a "Navy killer." As for the Navy, it was undoubtedly the natural consequence of its own misdeeds, but its impact on all the three services was enormous. Immediately after the cases came to light, and while they were being worked on, Chief of Naval Operations Kim Chol-u turned a deaf ear to suggestions by staff officers that he retire "voluntarily." Eventually, however, he was forced to quit and his case was referred to the prosecution. Since this development, the Navy has been enduring the "humiliation" of a three-star officer manning the post of the chief of naval operations.

Kim Hong-yol (the Naval Academy 16th class) was promoted from rear admiral to vice admiral and on the same day took over as chief of naval operations. Meanwhile, his Naval Academy seniors and contemporaries as well as senior general-grade officers who had received discharge notices were standing by for next assignments as, for instance, "research staff members." Among them were Kan Yong-tae (the Naval Academy 15th class; former commandant of the Academy), Kim Song-tuk (the 16th class; former Joint Chief of Staff [JCS] second vice chairman), Kim Man-chong (the 16th class; former deputy chief of naval operations), and Kim Son-ik (the 17th class, former commander of operations).

Marine Corps [MC] Commandant Lt. Gen. Yim Chong-nin (the Naval Academy 16th class), under the command of the chief of naval operations, is also sitting on thorns in the face of another possible shake-up. As many as five generals were removed from the active list, effective 30 June, after taken into custody for involvement in promotion scandals. They were: Maj. Gen. Yi Chae-ton (the 18th class), Commodores To Hong-ki (the 20th class; former provost marshal), Chong Il-chol (the 20th class; former Troop Information and Education [TIE] director), Yi Ui-kun (the 22d class; former first deputy director of the JCS war potential planning division), and Yi Yon-kun (the 23d class, then at London University receiving the assigned education). In Yi Chae-ton's case, the general feeling in the military was that he was unfortunately "picked out" by former MC Commandant Cho Ki-yop and taken into custody because of some old dust which Cho stirred up.

Perhaps for that reason, the Yi Chae-ton case brought on to criticism that the inquiry is drifting away from fairness and principle. In protest against his detention, active and reserve MC members accused authorities of "pulling out only healthy teeth while leaving decayed ones alone." This reportedly prompted Chongwadae to advise the MND top echelons that the probe was headed in a wrong direction. To prove it, Defense Minister Kwon Yong-hae sent a "personal message" to Yi Chae-ton that "I do know that you have always been trusted and respected by both superiors and subordinates ... What happened was the force of the times."

Similar examples were also reported in the Air Force [AF] investigations into its bribery cases, causing discontent and uneasiness among a considerably large number of officers. Promotion scandals first reported in the Navy in late April unexpectedly led to the arrests of Chong Yong-hu, former AF chief of staff, who had been removed from the active list in August 1990, and five AF generals including four Air Wing cmdrs., the post called "the flower of the Air Force."

These general officers were taken into custody, then removed from the active list after the investigations unveiled belatedly that they had given Chong Yong-hu, then AF Chief of Staff, tens of millions of won in token of their gratitude for promotions in late 1989. They were Brigadier Generals Choe Song-yol (the AF Academy 15th class; commander of the 11th Fighter Wing), Cha Chong-yol (the 15th class; commander of the 3d Training Wing), Pak Chong-Son (the 14th class; commander of the 8th Fighter Wing), Yi Kil-hwan (the 15th class; commander of the 16th Fighter Wing), and Yi U-tok (the 14th class; special aide for the AF chief of staff). Yi Yang-ho, then AF chief of staff, once said that two of them had been virtually certain to be promoted to the rank of major general this fall.

As these generals regarded as the treasure of the AF were charged with improprieties in cases that were thought to have been "buried" with Chong Yong-hu's retirement, AF officers collectively showed signs of agitation, contending that it was a reprisal against Chong for his expose concerning the change in the pick of next-generation fighter plane from the F-18 to the F-16. Some field-grade officers in the AF—often criticized as more individualistic than their colleagues in the other services—even made a representation to Yi Yang-ho, then AF chief of staff, demanding clarification of suspicions concerning the type change.

As the uneasiness among the young officers threatened to spread, Chongwadae showed its extraordinary concern. As a result, the generals were suddenly released from detention after 10 days. This prompted speculations that it was a move to bring the situation under control to prevent the agitation from spreading to the Army. The way the military leadership handled bribery scandals showed that there were no principles; the top echelons were just busy trying to "read the mind of the upper." The problem still remains unresolved as a potential source of discontent.

Still they are not all who were forced to hang up their uniforms. Suspected of involvement in bribery scandals as the result of the BAI inquiry into the Yulgok defense buildup program announced on 9 July are: Cho Kun-hae, AF chief of staff; Lt. Gen. Choe Kyong-kun, Army munitions commander (grade A selectee in the 151st selection); Rear Admiral Pak Yon-yong, Navy munitions commander (the Naval Academy 18th class); Maj. Gen. Kim Song-sop, director of the MND acquisition and development division; Brig. Gen. Song Chang-song, commander of the 5th Fighter Wing, and Brig. Gen. Cho Hui-chin, chief of the Army helicopter program (the Military Academy 21st class). They are among the generals whose military service records have been seriously stained under the new government.

In the 9 July announcement, the BAI said that "our auditing and inspection of importation programs on 23 major weapons including the next-generation fighter program have discovered a total of 118 questionable points in the areas of type selection, procurement contracting, weapons acquisition, and operations, causing a loss of 203.9 billion won to the National Treasury." The BAI also conveyed to the MND a list of the involved for possible disciplinary or other personnel actions. Besides the above generals, the list named 53 military-related persons including Pak Ung, MND second assistant vice minister (retired major general), and 26 colonels and lieutenant colonels. Whatever the inside stories, the long list is tantamount to portraying the military of yesterday as "the wolf set to guard the sheep."

In addition,the BAI complaints filed with the prosecution against persons who represented the military's top echelons in the Sixth Republic era—then Defense Ministers Yi Chong-ku and Yi Sang-hun, Chiefs of Naval Operations Kim Chong-ho and Kim Chol-u, AF Chief of Staff Han Chu-sok, and Kim Chong-hui, senior presidential secretary for diplomatic and national security affairs—are likely to lead to judiciary actions.

Who filled the posts thus vacated by generals charged with involvement in Hanahoe activities in the Fifth and Sixth Republic eras, the 12 December coup d'etat and in the bribery scandals? The answer is, in a nutshell, a host of "Three Non's"—people who are non-Army, non-TK and non-Hanahoe in their history.

A typical example is AF Chief of Staff Yi Yang-ho who succeeded to Gen. Yi Pil-sop as JCS chairman—the first JCS chairman ever from the AF. But some officers in the AF which now has two four-star generals—in stark contrast to the Navy mired in the plight of having a vice admiral as the chief of naval operations—has shown a bizarre reaction to his promotion.

They say: "It is of course a happy event for the AF that it has produced a JCS chairman. In his case, however, it is our feeling that the celebrations should wait for a while, considering his failure to head off the dismissals of the five generals who were his subordinates and whose cases were handled 'unfairly.' The military is a group in which love for one's subordinates is as important as loyalty to the superiors. This we believe is the very base of honor and morale. If JCS Chairman Yi had then made a presentation to his superior, either the defense minister or the president, stating that 'I will bear the responsibility on their behalf,' he could no doubt have gained the trust and respect of all the younger generations. We are deeply sorry that he did not do so."

Meanwhile, when Cho Kun-hae was appointed AF chief of staff, the same officers seemed to be rejoiced at the announcement. They said that "he is a TK man all right but he deserves his new post." Such atmosphere even escalated to the defense of Cho when he received a warning at the conclusion of the BAI's Yulgok probe, for they insisted that "if his involvement was so minor as said, they should not have published it."

With the AF's Yi Yang-ho replacing the Army's Yi Pil-sop as JCS chairman, the Army now tried to get the post of the director of the MND Intelligence Headquarters, but to no avail. It had to yield it to Kim Hong-nae, then AF deputy chief of staff (the AF Academy 10th class, native of Koje Island, South Kyongsang).

The director of the MND Intelligence Headquarters, as the intelligence command tower, has six general officers under him, including three major generals respectively heading the Gathering and Security Division, the North Korea Division, and the Overseas Division. Especially, in view of the fact that Defense Minister Kwon Yong-hae has been saying since he took office that he would place under its control other similar intelligence organizations such as the Military Intelligence Command, the 7235 Unit and the DSC, the MND Intelligence Headquarters will undoubtedly be wielding mighty influence when that process comes to completion.

Also showing the fall of the Army is the fact that it lost the post of the director of the Security Section ("first section director") of the DSC—a post virtually monopolized by Hanahoe members in the past and called by personnel "rat poison" because it watches every movement of commanding officers and other officers—to AF Brig. Gen. Song Tae-song (the AF Academy 17th class).

The appointment of Adm. Kim Hong-yol, a rather inconspicuous figure in the military, as the new chief of naval operations is viewed as a way to resolve the deep-rooted dissensions and antagonism between the TK force and the anti-TK force in the Navy. While it remains to be seen how his leadership will overcome the after-effects of bribery scandals, his appointment, along with that of Kim Tong-chin as Army chief of staff, set a very rare record in the annals of the military that two top graduates of the military academies became the chiefs of the two of the three services at the same time.

In the case of the Army in which Hanahoe members have mostly been removed, Gen. Pak Se-hwan (the ROTC 1st class) who was named commander of the 2d Army, replacing Gen. Kim Chin-son, retired, has become another symbol of change. Thus, the ROTC produced a four-star general as had been anticipated since the start of the new government. Nevertheless, Pak's promotion was expedited amid the successive censure-type personnel actions.

Pak's promotion to full general is expected to have a positive impact on officers from the ROTC, who have been known for disliking prolonged assignments. Graduates of military academies would often say in their opinions about them that the ROTC should turn out better trained officers in the first place. In particular, criticism by lieutenant colonels is fairly persuasive.

They say: "It is a fact that ROTC-trained officers are as qualified as any others as junior-grade officers, on account of their broad knowledge and high education. However, those better qualified among them would try to avoid prolonged assignments because of the strenuous military life. They mostly choose to be discharged after serving the obligatory term of 26 months. Those choosing to remain are more often than not people having no alternative but to make the military their 'last home.' So, from our point of view as non-ROTC, preferential treatment for ROTC-trained officers is basically unacceptable."

Anyhow, after the purge-like shake-ups, the military leadership of the YS era now consists of: Kwon Yong-hae, defense minister; Yi Su-hyu, vice defense minister; Yi Yang-ho, JCS chairman; Kim Tong-chin, Army chief of staff; Kim Hong-yol, chief of naval operations; Cho Kun-hae, AF chief of staff, and Yim Chong-nin, MC commandant. Four-star generals in the Army are: Yi Chun, commander of the 1st Army (the Military Academy 19th class); Pak Se-hwan, commander of the 2d Army; Yun Yong-nam, commander of the 3d Army (the 19th class); Pyon Chang-won, JCS first vice chairman (the 18th class); Kim Chae-chang, deputy commander of the Combined Forces Command [CFC] (the 18th class). They represent the top echelons of the military and the civilian government era as of mid-July.

With 1st Army Cdr. Cho Nam-pung hanging up his uniform on 15 July, all the four-star generals under the new government, except CFC Deputy Cdr. Kim Chae-chang, are those promoted by President Kim Yong-sam. This means that the military has been purged of the past cliques of influence. Another striking feature is the fall from key posts of the TK force which dominated the military in the Fifth and Sixth Republic eras. Also noteworthy is the fact that people from the Honam region, given the cold shoulder in the past by the successive regimes, are coming to the fore, although in isolated cases.

Among the four-star generals in this category are Army Chief of Staff Kim Tong-chin (Seoul; Kyongbok High School), JCS Vice Chairman Pyon Chang-won (Sosan, South Chungchong; Hwimun High School), and 3d Army Cdr. Yun Yong-nam (Uiryong, South Kyongsang; Pusan High School). Meanwhile, Chief of Naval Operations Adm. Kim Hong-yol is from Sochon, South Chungchong.

Among the three-star generals in the same category are To Il-kyu, commander of the Capital Defense Command (the Military Academy 20th class; Seoul); Chang Chang-kyu, commander of the Special Force (the 21st class; Yongdong, North Chungchong); Kim Tong-sin, commander of the Capital Corps (the 21st class; South Cholla), Kim Chong-sin, commander of the 8th Corps (grade A selectee in the 156th selection; Kwangju, South Cholla), and Yi Chae-kwan, commander of the 6th Corps. Meanwhile, Vice Adm. Kang Tok-tong, JCS second vice chairman (the Naval Academy 17th class) is from South Kyongsang, and Vice Adm. An Pyong-tae, commander of operations (the 17th class) is from Inchon.

In the AF, there is Choe Tong-hwan, deputy chief of staff (the AF Academy 11th class; Kurye, South Cholla), putting pressure on TK-clique officers. Also, Kim To-yun, DSC commander is a native of Changwon, South Kyongsang, graduated from Chinhae High School.

A prevailing observation is that even in the vortex of change, none of the "crisis factors" that had been feared by some around the time the new government set sail are found as far as the top echelons of the military are concerned at least. To the contrary, it can be said that the military leadership's loyalty to YS is higher than ever unlike in the old days when politicos like Hanahoe members were riding roughshod.

President Kim's "surprise show"-style personnel management is a factor contributing to the loyalty being exhibited by the military. It is because in the Fifth and Sixth Republic days when promotions and assignments were largely predetermined by factionalism, overcoming the factional barrier was extremely difficult. A typical example of the new style is Rear Adm. Yi Hong-yol's promotion to chief of naval operations.

The YS-style control once again proved its merits when the president visited the 5th Division at its forward base on 12 July. Only two days after a tragic accident—the dumbfounding explosion at the reserve forces Tarakdae firing range in Yonchon, Kyonggi, killing 19 servicemen and reserves (it was later discovered that there was another man killed)—President Kim visited the unit on the front line where none of his predecessors ever came to see them.

The president rode a jeep through a dusty road, then walked up to the wire-fenced demarcation line to see troops. No sooner had Battalion Cdr. Lt. Col. Yi Chong-ku finished his briefing than the president took off his watch and gave it to him. While the surprised officer was at a loss of what to do, President Kim shook his hand firmly, saying "I really appreciate what you and your unit are doing." The news quickly spread to all units. The president then joined troops in the enlisted men's [EM] mess hall, carrying the mess kit in person and eating the EM meal of canned tuna stew and kimchi. This also became news.

On the evening of 16 June [as printed], four days after he visited the 5th Division, President Kim invited some 30 three-star or higher-rank officers who had just finished a major commanders conference at MND to a Chongwadae dinner which included the unstrained rice wine Pochon makkoli. At the time, the atmosphere in the military was utterly depressed in the wake of the discovery of an additional reserve's death in the Yonchon explosion accident—which resulted in the dissolution of the artillery battalion involved and the dismissal of Pae Mun-han (the Military Academy 20th class) as commander of the Capital Defense Corps less than two months after his appointment to the post.

After proposing a toast, YS asked Defense Minister Kwon Yong-hae, JCS Chairman Yi Yang-ho, and the Army chief of staff and the chief of Naval operations, in that order, to do the same. There were more toasts and the party became merrier, when the president called out "it is warm here, so let's take off our coats and drink." Thus, they, as military commanders, were authorized to take off their coats before the supreme commander, except the Navy whose commanders have nothing but the T-shirt under the uniform.

It was Marine Corps Commandant Yim Chong-nin's turn to propose a toast. He said:

"Your Excellency, I am set to go through fire and water the moment you issue your order. Bottoms up!"

However, to the question of whether the seemingly smooth chain of command between President Kim—the supreme commander—and the military's top echelons will mean the same smoothness down to the first-front units, a large majority of military personnel have so far answered "No." This means in effect that while the top leaders' control of the units is not as effective as it used to be, the military relationships continue to be plagued by strains and dissensions in what people call the phenomenon of the military shaken up to the heart. The primary reason, according to military observers, is that while the weight of the military as a collective is, from the viewpoint of the whole society, on the slide, the military itself is no longer an attractive existence even to its own personnel, not to mention the general public.

But some note that a bigger reason is that the military, viewed as a sanctuary in the past, was forced to wash its dirty linen in public by the new government, and that especially in that process, its leaders were exceedingly weak-kneed in their response. Commenting, a general officer in the MND said: "It is of course a fact that the military is no longer a sanctuary but should change with the times. Nevertheless, the military should not be anything but the military. It would mean a problem if it should be made the scapegoat for politicians and political interests. It is true that the military should not dominate politics as it did in the past, but it could be even worse if the military should be utilized by politicians or be preoccupied with a desire to serve the interests of the political sphere. When the military is exposed to public criticism, what should be the attitude of its leaders? Frankly speaking, I am ashamed of having my uniform on these days."

The same officer, who is not a Hanahoe member, continued: "There are many things in the military requiring change and reform. But it is only when you are faithful to principle that you can win sympathy." Then, he explained how unprincipled the personnel actions against Hanahoe generals were.

He said: "Maj. Gen. 'A' was promoted to lieutenant general and appointed commander of a corps in mid-April, while Maj. Gen. 'B,' in a shake-up carried out right after that, was demoted from a major post in the Army Headquarters to staff officer at a certain unit. And both of them had been Hanahoe members. The deciding factor leading up to that difference was their relationships with the person in charge of personnel management. Maj. Gen. 'A' was personally close to that person. To show his loyalty, he once even bought for him the house he had put on sale. On the other hand, Maj. Gen. 'B' had always disliked the person. These facts are well known in the military. The personnel actions concerning them were the talk of the town for some time. They used to say that 'YS couldn't do much about it, could he?'"

A personnel action against principle spawns self-scorn and discontent, giving rise to complaints such as "what is the difference between him and me?" Especially, in the wake of the Yulgok probe, as it was reported daily that Defense Minister Kwon Yong-hae was suspected of involvement in a corruption case dating back to the days when he was vice defense minister and chairman of the Defense Buildup Committee, speculations continued to circulate.

For Defense Minister Kwon, it could not be a pleasant experience, of course, that a BAI investigator came to the MND on 6 July for an inquiry into his suspected involvement in a Yulgok case. Later, the BAI cleared Kwon by stating that "we have investigated Defense Minister Kwon's case thoroughly, virtually to harsh degrees, including records of his bank accounts, real estate transactions, and sources of income. But we have been unable to establish his involvement in any irregularities. Nor could we find evidence that he exercised his influence improperly while chairman of the Defense Buildup Committee." Nevertheless, the suspicions about him show no signs of being put to rest.

Despite all this, Defense Minister Kwon enjoys deep trust of the president, seeing him tete-a-tete more frequently than any other ministers. In the old days, it used to be the DSC commander or the head of the Secret Service who saw the president tete-a-tete most frequently, putting their nose in military affairs. Things have changed.

The military leaders' inability to properly establish the center of the military command is clearly demonstrated in the instructions they issued in the beginning of July concerning the handling of assault cases, stating that in such cases every person involved would be subjected to heavy disciplinary actions regardless of ranks, as well as in the fact that they actually censured offenders of the instructions on a massive scale.

It so happened that on 3 July, the day after the instructions were issued, that in the 705 Commando Regiment of the 5th Corps in Idong-myon, Pochon County, Kyonggi, Sergent First Class Yi Kwang-min, 22, senior company NCO, beat Squad Leader O Un-sok, 20, in the breast for an "inert and negative" attitude, killing him. Military authorities took into custody Capt. Yang Kwon-song, 29, the battalion officer of the day, and 1st Lt. Pak Chong-hui, 25, company commander, for dereliction of duty (laxity in supervision), as well as Sfc. Yi. In addition, Maj. Chang Sa-yong , 40, the regiment's personnel officer, and Capt. Kim Chong, 32, battalion personnel officer, and Lt. Col. Chon Chong-sam, 41, battalion commander, were referred to the disciplinary committee for negligence in accident prevention training and laxity in supervision.

Earlier, in his conversations with reporters on 8 March, Defense Minister Kwon said that "the president has ordered that special attention be paid to assault cases and other brutalities." "In the past, however," he said, "not only the direct supervisors but also higher-ranking responsible officers had to face punishment in such cases, and this often had a negative effect on the morale of the unit. Therefore, I will take a corrective measure in this respect." The promise was broken in less than four months.

A certain Capt. Kim, serving as a company leader on the eastern front, said: "In all incidents in military units like assaults and AWOL's, there always are underlying causes. So, if authorities fail to look into those underlying causes, and if they indiscriminately rely on tough punitive measures, who would dare to command their units according to their conviction? It makes me worry." He also said that some units now even avoid hazardous training for fear of accidents.

There is the case of an Army ranger unit whose main duties are the rescue of hostages in airline hijacks and special sea operations. Until recently, members of the unit had taken pride in the hard training. Now, for the same fear, the unit eased up its program, conducting only less hazardous training. Thus came its nickname "Cleaning Unit," for members now spend more time cleaning unit premises than training.

Because of this sort of atmosphere, absurd things—so absurd that they were unimaginable in the past—are occurring in the military one after another. Among them: the case of Pfc Yim Chae-song of the 15th Division, a forward unit, who deserted from barracks carrying firearms with him, and killing and wounding civilians; the disaster at the Yonchon firing range; the case of Lt. Cdr. Ko yong-chol, 40, of the Defense Intelligence Headquarters who divulged military secrets; and a disturbance at a unit in Ichon, Kyonggi, involving discharged soldiers. These are viewed as incidents that could not have occurred if the military discipline had been properly maintained.

Particularly shocking was the case of Lt. Cdr. Ko Yong-chol, who is charged with divulging numerous Class-2 military secrets to the Seoul bureau chief of the Japanese Fuji Television. Moreover, the DSC the main duty of which is "military security and counterespionage" had been unaware of Ko's acts for two years until the Agency for National Security Planning referred the case to it on about 20 June. According to military observers, the case corroborates the fact that the DSC is "too loose." In addition to the overall "looseness" of the military, old command practices are left in place in various areas.

A certain Army unit assigned to the larger front-line sectors kept issuing unnecessary orders until recently from about the time the new government set sail, causing demoralization and grudges among officers and men. In the name of "building a new serviceman image of a new Korea era," it issued orders demanding such formalistic reports as "on plans to advance fundamental military reforms" and "on the implementation of plans to advance fundamental military reforms." It is thus "contributing" to deteriorations in the morale.

Since about the same time, the unit has made all its members sing a song titled "I've Become a New Man" in the name of a "Green Pine Education" program. The song sounds even anachronistic. Here are the words:

"I've become a real man, a new man/ I'm now a loyal man in the Army, a new man ... with a new heart, new spirit, new mood/ I've become a real man, a new man."

On the other hand, also in evidence everywhere are struggles to establish a new image of the military based on a self-reexamination of the past.

KUKPANG ILBO of an approximately 140,000 circulation printed an article by a high-ranking general officer strongly criticizing improprieties of the military in the past and stressing that it can regain the trust of the people only by being born again through self-reform. The article, carried in a series for three consecutive days in early June, stunned readers.

In the article, Maj. Gen. O Kum-nok, MND TIE director (the Military Academy 22d class), wrote that "the military in the past, protected by the 'sanctuary' curtain, continued to turn a deaf ear to voices of the people. In the absence of an established system to examine its conduct, the military fell into self-complacency, thinking that whatever it did, it was always right. It thus isolated itself from the people." "Now, with the advent of a civilian government era," he said, "the time is gone forever when it had its days in the sanctuary, the days of arrogance as a guide for the people."

"By thrusting itself onto the first line of politics in the 16 May coup under the slogan of efficiency and substance," O Kum-nok continued, "the military took upon itself the gigantic task to lead and educate the people in the nation's development and construction, in addition to the defense of the country, its original mission." "It is a fact that while treading a closed path for itself, it took on a superiority complex fancying itself as the only special collective that could modernize the nation," he said, urging the military to search its soul.

A cadet in the Military Academy also wrote in YUKSA SINBO about the same time on what he believes is the right course for the military to take.

"We did not enter the Military Academy just to become a general. Nor should we be serving in the military after our graduation just to become a general. The soldier should be self-sacrificing and unselfish despite all the difficulties surrounding him, including the slow promotion, low pay, poor housing, frequent reassignment, and the difficulties involving children's education," he wrote.

The military is headed for transformation. "Legitimate" opinions—which tended to cower in the past because of the military service code and other regulations requiring going through the chain of command when presenting proposals, petitions and personal views to commanders or Chongwadae—are being given voices now. Typical examples are petitions filed by MC officers using their real names at the time of promotion scandals, pointing out errors in a list of marines cited for involvement and proposing corrections.

"The commanding general and other general officers who should be familiar more than anybody else with the structural irregularities within the MC: Why do you stand mum just looking upward? If you should stay like that, what would you have to say to your junior officers, and how would you lead them? I am deeply worried." (Lt. Col. "O" of MC 1st Division)

"I am stating my firm, subjective view by signing my name in this letter ... However overwhelming the trend of reform might be, the serious errors in the list of officers cited for investigations should be corrected." (Maj. Gen. "H" of MC Headquarters)

At the same time, a collective representation made in mid-June by military legal officers pressing for improvement in the military law is viewed favorably inside and outside the military. People say that it has proved to be a small but valuable "grain of wheat" in the effort to correct the past wrong practices and systems of the military.

They courageously pointed out: "In conjunction with the right of command of the commanding officer, the present military law has been used to cover up or justify improprieties on his part." "We had expected that there would be reforms of the military justice system in the course of the general military reform movement. Actually, however, there are even antireform moves as we saw them in the handling of promotion scandal cases."

Voices demanding genuine change and reform for the military and expressing readiness to work for them are not confined to young officers. The remark by Kang Min-su, then commandant of the AF Academy (the AF Academy 9th class) at a conference of major commanding officers of the three services on 30 April has generated wider reverberations as the time went by among junior officers seeing it as showing the path for them to follow. Kang voluntarily retired at the time of the personnel changes involving AF generals in late May not to become a command burden to Lt. Gen. Cho Kun-hae, his classmate, who became AF chief of staff.

Kang said: "We have none to blame but ourselves for the situation the military is in today. Certainly not media nor the public. We should be the first to reexamine ourselves for all the improprieties in the past and correct them. Otherwise, we would be rejected by the people forever."

Earlier at the same conference, Chang Song, director of the MND Policy Section, Kim Chong-hon, commandant of the Military Academy, and Kim Chong-pae, commander of the 3d Corps, made similar remarks, bringing a solemn atmosphere to prevail in the conference hall.

It seems to be an undeniable fact that it is still the middle of the night in the MND but the clock there is ticking away toward dawn.

Burma

Military Delegate Reads Review Report on 7 Sep

BK0809104593 Rangoon Burma Television Network in Burmese 1530 GMT 7 Sep 93

["Excerpts" of review report by the Panel of Chairmen presented by Panel Member Colonel Thaik Tun at the National Convention Plenary Session held in the President's House Compound in Rangoon on 7 September—recorded]

[Text] National Convention Delegates: Suggestions on fundamental principles on the organization of the defense services contained in reports submitted by delegate groups can be reviewed as follows: A strong and modern defense service is indispensable for the country to be strong and firm. Since the single modern defense service is formed with the sons of the national races, the defense service is the only armed organization that represents the people of the country. That is why a fundamental principle should be adopted to form a single, strong, and modern defense service. Moreover, the defense service should also safeguard the constitution and be allowed to administer the people's participation in the security and defense of the country.

Therefore, a fundamental principle should be laid down for the defense service to be a single, strong, and modern one. The main responsibility of safeguarding this constitution lies with the defense services, and the defense services should be allowed to administer the people's participation in the security and defense of the country.

U Win Tin Reads Review Report on 7 Sep

BK0809100193 Rangoon Burma Television Network in Burmese 1530 GMT 7 Sep 93

["Excerpts" of review report by the Panel of Chairmen presented by panel member U Wan Tin at the National Convention Plenary Session held in the President's House Compound in Rangoon on 7 September—recorded]

[Text] Suggestions on fundamental principles on organization of courts contained in reports submitted by delegate groups can be reviewed as follows: There shall be a Supreme Court of the Union in the central level with one high court each in major regions and states, and courts in self-administered areas, districts, and townships.

In prescribing the fundamental principles on judiciary, delegate groups recommended that the Supreme Court of the Union has the power to issue writs to take speedy and effective action and safeguard against the infringement of people's basic rights. It was also suggested that a constitutional tribunal be formed to safeguard the provisions contained in the constitution, to interpret the constitution, and to settle disputes over constitutional provisions. It is found from the experience that such a principle is needed for our nation.

Therefore, the following should be prescribed as the fundamental principles on formation of courts: the judicial power of the state be distributed and entrusted to the Supreme Court of the Union, the high courts of major regions and states, and courts in self-administered areas.

The Supreme Court of the Union shall be the highest court in the state; the Supreme Court of the Union shall have the power to issue writs; there shall be high courts in major regions and states. Therefore, a fundamental principle should be laid down to form a constitutional tribunal to scrutinize whether the laws passed by legislative assemblies in these regions and states and actions taken by authorities from the central level to self-adminsitrative areas levels are in accordance with the constitutional provisions, to settle disputes over constitutional provisions, and to perform duties stipulated by the constitution.

National Convention Plenary Session Continues

BK0809144393 Rangoon Radio Burma in Burmese 0630 GMT 8 Sep 93

[Excerpts] The National Convention Plenary Session was held at 1000 this morning in the Central Meeting Hall at the President's House compound on Ahlone Road, Yangon [Rangoon]. It was attended by Lieutenant General Myo Nyunt, chairman of the National Convention Convening Commission [NCCC], Lt. Gen. Maung Thint and Brigadier General Myo Thant, NCCC vice chairmen, and NCCC members; U Aung Toe, chairman of the National Convention Convening Work Committee [NCCWC], U Tha Tun, NCCWC vice chairman, and NCCWC members; Brig. Gen. Tin Aye, chairman of the National Convention Convening Management Committee [NCCMC] and NCCMC members; national convention delegates, and local and foreign reporters. [passage omitted]

When the plenary session resumed at 1230 a comprehensive review on the proposal papers—which were presented and submitted by national convention delegate groups on formulation of fundamental principles, which are suitable to be included in the constitution—was presented to the national convention plenary session by the panel of chairmen.

First, Panel Member U Tun Yin Law explained the evaluation on the principle regarding public services. Next, Panel Member U Ba Han presented the assessment on education and health matters. Continuing, Panel Member U James Bond reviewed the fundamental policies concerning agricultural and industrial matters. Then, Panel Member U Tin U presented the evaluation of basic principles concerning matters relating to youth and the abuse of religion for political gains. Finally, Panel Member U Myo Thant reviewed the fundamental principles concerning economic matters. The National Convention Plenary Meeting ended at 1425.

The National Convention Plenary Session will continue tomorrow, 9 September, at 1000.

Forestry Minister, Delegates Leave for Indonesia

BK0509150693 Rangoon Radio Burma in Burmese 1330 GMT 5 Sep 93

[Text] At the invitations of Mr. Hartarto, coordinating minister for industrial and trade affairs, and Mr. Jamaludin, minister of forestry of the Republic of Indonesia [RI], the Myanmar [Burmese] delegation led by Forestry Affairs Minister Lieutenant General Chit Swe left Yangon [Rangoon] for the RI by air at 1200 today to observe the forestry sector and basic wood industry, and to discuss and coordinate the businesses that both countries can cooperate for mutual benefit.

The delegation was seen off at Yangon airport by Lieutenant General Mya Thinn, minister of home affairs; Lieutenant General Kyaw Min, minister of mines; Mr. Mohamed Sanusi, ambassador of Indonesia; Mr. Anthony Chng Chye Tong, charge d'affaires of Singapore embassy; responsible personnel from the departments and enterprises under the Ministry of Forestry, and family members.

The minister was accompanied by Brigadier General Aye Kyaw, commander of the Northeast Military Command; U Myat Thinn, director general of the Planning and Statistics Department of the Ministry of Forestry; Colonel Maung Maung, deputy commander of the Southern Military Command; U Soe Kyi, director general of the Forestry Department; U Myint Thein, general manager of the Myanmar Forestry Enterprise, and Captain Aung Lay Htut, personal aide-de-camp of the minister.

Minister Returns From Indonesia, Philippines

BK1109055793 Rangoon Radio Burma in Burmese 1330 GMT 10 Sep 93

[Excerpts] A Myanmar [Burmese] delegation headed by Lieutenant General Myint Aung, minister of agriculture, paid a goodwill visit to the Republic of Indonesia from 25 August to 2 September and the Republic of the Philippines from 2 to 6 September at the invitation of the agriculture ministers of the two countries.

The five-member delegation included Brigadier General Hla Myint Swe, commander of the Northwest Command, and officials from the Ministry of Agriculture. The delegation returned to Yangon [Rangoon] this afternoon via Hong Kong and Singapore.

While in Indonesia, Agriculture Minister Lt. Gen. Myint Aung and his delegation paid a courtesy call on President Suharto at 0900 on 28 August and explained in a frank and cordial manner reforms in Myanmar's political, economic, administrative, and social affairs. At the meeting, President Suharto said he will never forget the assistance given by Myanmar—a genuine friend—and explained that Indonesia is striving to share and disseminate its experience in the agricultural sector and its self-sufficiency in rice with other developing countries. President Suharto said the three main policies that should be practised for long-term development of a country are political stability, economic development, and equal sharing and enjoyment of the country's natural resources. He explained that it is necessary to have a stable and strong government in order to achieve these objectives.

President Suharto explained that in Indonesia, the Defense Services has the noble tradition of discharging its twin duties as a national security force and political and social force with the full support of the entire people. President Suharto expressed his pleasure and appreciation for the visit of the Myanmar agriculture minister which is aimed at promoting bilateral friendship and mutual cooperation. He said the door to Indonesia is always open to Myanmar.

The Myanmar delegation also held talks with Industrial and Trade Affairs Minister Hartarto, Political Affairs and Security Minister Sudarman, and Agriculture Minister Baharsyah and officials from the ministries concerned. The talks covered bilateral cooperation in agriculture, economy, trade, defense, and sports. [passage omitted]

Next, the Myanmar delegation led by Agriculture Minister Lt. Gen. Myint Aung arrived in Manila, the Philippines, on the evening of 2 September. The delegation called on President Fidel Ramos in the Malacanang Palace at 1500 on 3 September and held cordial talks on socioeconomic reforms in Myanmar, bilateral exchanges and cooperation in technology, and improvement of trade and commerce. [passage omitted]

The Myanmar agriculture minister called on Vice President Joseph Estrada and Agriculture Minister Roberto Sebastian and discussed bilateral exchanges of technology and improvement of trade and commerce. [passage omitted]

Bangladesh Officials Return 214 Rohingyas 28 Aug

BK0209143593 Rangoon Radio Burma in Burmese 1330 GMT 30 Aug 93

[Text] In accordance with the coordinated agreement reached between the two countries on the repatriation of those who illegally left Myanmar [Burma] for Bangladesh, a delegation led by Camp Supervisor Mr. (Mukwaraman) from the country on the other side transferred 214 returnees—95 males and 119 females—from 51 households to our Kanyinchaung reception center on the morning of 28 August 1993. The returnees were brought in by seven motorboats. The delegation left at 1230.

Brunei, Malaysia & Singapore

Malaysia

Reaction to Israeli-PLO Agreement Reported

Mahathir Welcomes Accord

BK1109082893 Kuala Lumpur Voice of Malaysia in English 0600 GMT 11 Sep 93

[Excerpt] Malaysia welcomes the mutual recognition agreement between the Palestine Liberation Organization, PLO, and Israel and hopes the pact to be first step toward lasting peace in West Asia.

Prime Minister Datuk Sri Dr Mahathir said with the pact the Arabs and the Israelis can live in peace with each other. He expresses the hope that all occupied land could be returned to the Palestinians with no more terrorism. He was asked by reporters on the Redang island off the east coast state of Terengganu to comment on the signing of the historic accord between Israeli Prime Minister Yitzak Rabin and PLO leader, Yasir 'Arafat. [passage omitted]

Recognition of Israel Undecided

BK1309094093 Kuala Lumpur Voice of Malaysia in English 0800 GMT 13 Sep 93

[Text] Malaysia will study several aspects before deciding on a stand toward the recognition of Israel following the signing of the Palestinian-Israeli peace accord for limited autonomy in Washington.

The prime minister, Datuk Sri Dr. Mahathir, explained until now the government's stand toward Israel has been influenced by the attitude of the Tel Aviv regime toward the Arabs, Islam, and Palestinians. He said the government needs to consider the situation after Israel changed its attitude and the recognition of the two sides.

The prime minister said this to reporters after opening the Commonwealth Forestry Conference in Kuala Lumpur today.

Foreign Minister Welcomes Pact

BK1309091893 Kuala Lumpur Voice of Malaysia in English 0800 GMT 13 Sep 93

[Text] Malaysia hopes the signing of the Palestinian autonomy accord in Washington today will be first step toward ending the Palestinian issue. The pact will grant limited autonomy to Plaestine in the Gaza-Jericho districts.

Foreign Minister Datuk Abdullah Ahmad Badawi says this is a positive and constructive development leading to a comprehensive, just, and lasting solution to the Arab-Israeli conflict. He says effort is fitting with the UN resolutions, which, among other things gave the Palestinians the right to determine their future and the setting up of an autonomous state. It also includes the right to security of all countries, including the Tel Aviv regime. Datuk Abdullah Badawi said this in statement welcoming the Palestinians and the regime's joint declaration, and agreement to limited autonomy. He adds that Malaysia has pressed for a speedy solution to the Palestinian issue based on fairness and discussions. The country had always backed the Palestinian's struggle. In this matter, Malaysia supports the peace efforts in West Asia and urges all groups involved to show political will and sincerity to end the conflict.

Military Vigilant for Thai Muslim Separatists

BK0409144393 Kuala Lumpur Radio Malaysia Network in Malay 1300 GMT 4 Sep 93

[Text] Malaysian Armed Forces personnel will operate more frequently along the Thai-Malaysian border to ensure that Thai Muslim separatists will not use heavily forested areas in Kelantan and Perak as their hideouts. Defense Minister Datuk Sri Najib Tun Razak told reporters in Sungai Petani that Malaysia has no intention of interfering in the internal affairs of another country because it adopts a free and nonaligned policy. The Armed Forces are constantly vigilant and will neither protect nor cooperate with the separatist group. There has been no information about their asking for protection from the Malaysian Armed Forces. The matter will be discussed during the upcoming meeting of the Malaysia-Thai General Border Committee.

Purchase of 27 Offshore Patrol Vessels Approved

BK0409092693 Kuala Lumpur BERNAMA in English 0315 GMT 4 Sep 93

[Text] Kuala Lumpur, Sept 4 (OANA-BERNAMA)—The Malaysian Government has approved the purchase of 27 offshore patrol vessels (OPV) for the Defence Ministry, Chief of Navy Mohamed Shariff Ishak said Friday.

The government decision, made early this year, showed the importance it attached to upgrading the Royal Malaysian Navy (RMN) whose duty was to guard Malaysian waters, he added.

The proposal to acquire the OPVs has already been approved. Only, the allocation and who is to build them has not been decided, he told reporters after the flag officer of France's Indian Ocean Naval Armada, Rear Admiral Hubert Foillard called on him at his office here.

Newspapers reported Thursday that 30 companies from 28 countries, including Denmark, France, and Sweden had submitted proposals to build the OPVs in joint venture with Malaysia.

He said the RMN required new boats to replace ageing ones as its duties covered a wide area, including the exclusive economic zone (EEZ).

The RMN was keen to see the establishment of a defence shipbuilding industry in Malaysia, he added.

Rear Admiral Foillard, who is here on an operational tour until Tuesday, arrived Thursday.

The FNS [French Navy Ship] Var, a command supply ship, made a stopover in Port Kelang enroute from India to Australia. dd

Cambodia

Japanese Peacekeepers Close Takeo Base

OW1209104993 Tokyo KYODO in English 1023 GMT 12 Sep 93

[Text] Takeo, Cambodia, Sept. 12 KYODO—A Japan Self-Defense Forces [SDF] engineering battalion on a United Nations peacekeeping mission closed Sunday [12 September] its base in Takeo, southern Cambodia, ending the battalion's one year of service.

The former base of the 600-member Japanese peacekeepers will be changed to a multi-purpose regional development center, including a medical clinic with supplies and equipment to be left behind by the SDF engineering unit.

The supplies include medical goods and medicines, road construction equipment, building construction materials, refrigerators, and tables and chairs.

At a closing ceremony, Japanese Ambassador Yukio Imagawa signed a document that Tokyo would honor Cambodian provisional government's request and leave behind some 1.1 billion yen worth of equipment and supplies as the peacekeeping mission came to a close. On behalf of the provisional government, Phnom Penh's Joint Chief Cabinet Secretaries Sok An and Veng Sereyvuth signed the document.

Also during the ceremony, a U.N. flag and a Japanese national flag were replaced with a Cambodian national flag together with a new sign for the regional development center written in English and Khmer.

Some 600 engineers of the Self-Defense Forces spent a year in Cambodia, Japan's first U.N. peacekeeping mission, reconstructing highways and bridges that had been destroyed or damaged in more than a decade of civil war. The mission was completed last week and the engineers are scheduled to return to Japan in two groups, one on Tuesday and another on September 26.

Following the closing ceremony, all the remaining 250 SDF personnel left the base to Phnom Penh winding up their duty.

Sihanouk Reported To Agree to UN Office

OW1109061093 Tokyo KYODO in English 0558 GMT 11 Sep 93

[Text] Beijing, Sept. 11 KYODO—Cambodian head of state Prince Norodom Sihanouk has agreed to the establishment of a United Nations office in Phnom Penh for cooperation on Cambodia's reconstruction efforts after the UN peacekeeping mission ends its operations later this month, diplomatic sources said Saturday [11 September]. The sources said the agreement was reached at a meeting in Beijing on Saturday between Sihanouk and Yasushi Akashi, head of the UN Transitional Authority in Cambodia (UNTAC).

Akashi proposed that after UN peacekeeprs are withdrawn from the country a UN office be established to cooperate on economic rehabilitation, protection of human rights, and removal of mines, the sources said.

Sihanouk agreed to the proposal and asked UNTAC to maintain a small contingent of military personnel after its withdrawal from Cambodia, they said.

Sihanouk is staying in the Chinese capital to undergo an operation to remove an intestinal tumor. He is scheduled to return to Phnom Penh in October.

Akashi was quoted as telling the prince it is desirable for him to be in Cambodia when a new government is sworn in under a new constitution.

French Military Experts To Train Armed Forces

BK0409020893 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 1200 GMT 3 Sep 93

[Text] A French Defense Ministry delegation led by Admiral (Kalmann) arrived at Pochentong International Airport at 1215 on 28 August. Welcoming the French Defense Ministry delegation on that occasion were—among others—General Kruoch Yoeum, chief of the Defense Ministry's Office; Lieutenant General Li Senghong, deputy chief of staff of the Cambodian National Armed Forces [CNAF]; and many generals and officers from the Defense Ministry. Also on hand at the airport were Gen. (Francois Peres), military attache of the French Embassy to Cambodia [rank and title as heard], and other French military officers assigned to Cambodia.

The purpose of the French Defense Ministry delegation's visit is to become acquainted with and discuss future relations and cooperation between the French and Cambodian Armies.

On the morning of 30 August the French admiral and his delegation met and held a working session with His Excellency [H.E.] Gen. Tie Banh, deputy defense minister, at the Foreign Military Relations Department's office. The discussion focused on preparations for the dispatch of French Army experts and specialists to train the CNAF.

Also at this meeting with the French military delegation, H.E. Gen. Tie Banh stressed that the CNAF's current tasks are being carried out smoothly, but they still suffer shortages of uniforms, vehicles to transport troops and supplies, and so forth. At the end of the discussion, H.E. Gen. Tie Banh expressed his confidence that the CNAF's capability will certainly be enhanced after France sends its training experts to Cambodia.

Official on Hun Sen-Chea Sim 'Power Struggle'

BK1109124893 Hong Kong AFP in English 1213 GMT 11 Sep 93

[by Kevin Barrington]

[Text] PHNOM PENH, Sept 11 (AFP)—An internal power struggle between hardliners and moderates within the Phnom Penh party over who should have the greater role in Cambodia's new government seriously threatens the stability of the country, a government official said Saturday.

The struggle pits Chea Sim, the head of Phnom Penh's formerly communist party and his hardline associates against former Prime Minister Hun Sen and his colleagues who are seen to be moderates.

The government official, who is close to Hun Sen, said that Chea Sim and the hardliners worry the Hun Sen camp will come out ahead when the country's constitution is approved next week and a new government is formed.

"Chea Sim is worried about losing influence. They (Chea Sim and followers) are not happy because they do not have a role in the government," the official, who spoke on condition of anonymity, said.

"They want to push Hun Sen out and put their people in the government," he said.

The battle emerged from the debate over whether the country's new constitution should allow the present interim government's system of having two co-prime ministers—Hun Sen from the former communist party and Prince Norodom Ranariddh from the royalist FUNCINPEC [National United Front for an Independent, Neutral, Peaceful and Cooperative Cambodia] party—to remain in place.

Prince Sihanouk has indicated his approval of this system saying it was in the interests of national stability.

But Chea Sim recently voiced his opposition to the idea of Hun Sen continuing as co-prime minister, the government official said.

Chea Sim, his brother-in-law and former Minister of the Interior Sar Kheng, and other hardliners met with Hun Sen during the week and told him they did not want him as co-prime minister in the new government, he said.

In a surprising move, Chea Sim said he wanted FUNCINPEC's Prince Ranariddh to be prime minister but insisted that Sar Kheng become vice prime minister, the government official said.

"Chea Sim and his men criticised Hun Sen and said that the people Hun Sen had selected for his cabinet had never made any great sacrifices for the party," another government source, who also declined to be identified, said.

"Hun Sen was very angry and threatened to resign and form his own political party," the source said.

U.N. officials and diplomats have often said that although Hun Sen basks in the political limelight as the acceptable face of the old regime, it is Chea Sim who wields the real power.

The first government official said Chea Sim was afraid that if Hun Sen continued to be co-prime minister in the new government Hun Sen's power would grow at the expense of Chea Sim's influence. "Chea Sim is afraid of losing his power. These moves he is making are a serious threat to the stability of the country," he said. He said that Chea Sim and his colleagues plan to meet next week, and Hun Sen will not be invited.

The official said that Chea Sim was also seeking a more powerful role for himself once the new constitution was approved. He wanted to take over his old position as chairman of the National Assembly, a seat now occupied by Son Sann, the head of the Buddhist Liberal Democratic Party, both government sources said.

The second government source said that Chea Sim met with Prince Ranariddh last week and the two discussed the idea of Chea Sim becoming chairman.

The source, however, did not know whether there was any connection between Chea Sim's possible promotion and Hun Sen's demotion.

There were conflicting reports about Prince Ranariddh's views on Chea Sim's plan. The official close to Hun Sen said Prince Ranariddh was opposed to the idea and that the two worked well together.

But an official from his FUNCINPEC party said his party was not getting involved in the "internal disputes" of the Phnom Penh party.

Constitution 'Contradictions' Worry Rights Groups

BK1309082393 Hong Kong AFP in English 0808 GMT 13 Sep 93

[By Kevin Barrington]

[Text] Phnom Penh, Sept 13 (AFP)—Human rights and development groups expressed fears Monday that contradictions in the country's draft constitution would allow Cambodia's monarch to exercise power.

"Our main concern is that the draft in general says the monarch shall hold no power. But there are a lot of loopholes so that the monarch can come back and have power," Iv Borin, the vice president of the Khmer Students Association, said.

The latest draft of the constitution, obtained by AFP, says that in accordance with Prince Norodom Sihanouk's wishes for a symbolic style monarch, that "the king reigns but does not govern."

The country's constituent assembly is set to convene September 15 to approve the constitution.

However, a statement from Ponleu Khmer, an umbrella organisation of human rights and development groups, said the assembly should consider some articles which were contradictory in light of Prince Sihanouk's desire to hold no power.

The constitution says the monarch shall be the supreme commander of the Armed Forces, chairman of the Supreme Council of National Defence and chairman of the Supreme Council of Judges.

"We see these positions as having power," Yos Hut-Khemacharo, an advisor to Ponleu Khmer, told reporters.

The organisation said that as a symbol of the unity of the country, the king should be independent and above all political matters but they feared that the roles presently outlined for the king could compromise that position.

"If the country gets into difficulties how can Prince Sihanouk be independent, this is a concern," Iv Borin said.

Phuoug Sit, the director of human rights group Vigilance, said he worried about the draft giving the king the final word on appointments to the legislative, judicial or executive branches.

Instead, he said, the various branches should make their decisions and bring the final decisions to the king to approve and sign.

"We would really like to protect the symbolic role of Prince Sihanouk. Therefore in order for Prince Sihanouk to keep away from politics, we want the branches to make their own decisions so that Prince Sihanouk will not have to impose power," Phuoug Sith said.

Yos Hut-Khemacharo said he did not fear that the prince would seek to wield absolute power.

However, he said he was afraid of the consequences, if the king was to get involved in politics, of the article in the constitution which says no-one can "touch" or insult the king.

"We are concerned about his sacred symbol. We cannot touch that sacred symbol. (But) if that symbol is also involved in politics we will have to criticise and if we criticise that means touching," he said.

The head of Vigilance also warned of a potential conflict of interest if Prince Sihanouk was to exercise the one power he asked to have retained in the constitution: the right to commute or reduce penal sentences.

Phuoung Sit pointed out that many members of the royal family were involved in politics.

"How will that affect future conflicts if it involves members of the royal family?" he asked.

He also voiced a concern about the Khmer Rouge.

"If the monarch can have the power to pardon or to lessen sentences what will that mean to those involved in genocide?" he said.

After the Khmer Rouge were ousted by the Vietnamese in 1979, a Phnom Penh court sentenced to death in absentia the radical faction's leader Pol Pot and his right hand man Ieng Sary.

NADK Details Casualties in Preah Vihear

BK0709014793 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 6 Sep 93

["Additional Reports on the Military Operation of Vietnam and Its Puppets in An Seh in Preah Vihear Province"]

[Text] Additional reports from people's sources say that Vietnam and the puppets launched their offensive in successive stages to seize An Seh from the National Army of Democratic Kampuchea [NADK] from 26 August to 3 September. In this operation, the Vietnamese and the puppets used 80 troops from sapper units from Phnom Penh, with Vietnamese officers in command, to work with those in Choam Khsan. Altogether, there were 170 troops.

In the fighting, which lasted nearly one week, the NADK killed or wounded these soldiers, commanders, and troops and routed them. Here are the final results:

1. Seventeen enemy soldiers were killed on the spot, 200 meters from An Seh, including two Vietnamese sappers.
2. Forty-two others were killed along the road when they retreated.
3. Twenty-seven were wounded during the fighting and the retreat.
4. The majority of the remaining troops fled across the jungles and did not go through Choam Khsan or Tbeng Meanchey. Sixty troops of the Vietnamese and the puppets have now fled from the battlefield; only 24 fled to Tbeng Meanchey provincial seat.

The reports also say that in the fighting, troops of the Vietnamese and the puppets faced great difficulties. On the one hand, they could not resist the massive attacks by armed people and the NADK. On the other, they were hungry, sick, and wounded. They did not have medicine to treat them. This is why they were demoralized, dared not fight any longer, and fled.

Indonesia

Suharto Hails Pact Signed By PLO, Israel

BK1109072593 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 11 Sep 93

[Text] President Suharto, head of state and chairman of the Nonalignment Movement [NAM], has expressed happiness over the signing of the pact between the PLO and Israel. Replying to qestions from newsmen at Merdeka Palace this morning, Minister/State Secretary Murdiono clarified that the head of state considers the mutual agreement as a new and very important breakthrough.

[Begin Murdiono recording] The president considers the mutual agreement as a very important breakthrough which should be followed by a total and just settlement according to the aspirations of the Palestinians to govern their own country as a sovereign state. The president also hopes that the breakthrough will be directed toward a wider and just settlement in an effort to overcome Arab-Israeli conflicts. The president also realizes the (?difficult) endeavors to be undertaken by Palestinians and as such proposes that a meeting be called by the nine-member committee on Palestine to review and to [words indistinct], particularly by NAM. [end recording]

According to Minister Murdiono, President Suharto also hopes that the results of the review by the nine-member committee on Palestine will be discussed comprehensively by the New York-based NAM coordinating bureau.

Alatas Views Ties With Israel, Peace Accord

BK1309125893 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 13 Sep 93

[Text] Indonesia believes it is not yet time to open diplomatic relations with Israel because a comprehensive peace accord between Palestine and Israel is still far away. Speaking in Jakarta this afternoon, Foreign Minister Ali Alatas said Indonesia welcomes the recent breakthrough of talks between Palestine and Israel. He also expressed hope that both sides will faithfully comply with the accord while all the transitional clauses will be observed in the framework toward the realization of a comprehensive, fair, and lasting solution based on the UN Security Council resolutions No. 242 and 338.

During the occasion, Minister Alatas also disclosed a plan by President Suharto, in his capacity as chairman of the Nonaligned Movement, to hold a meeting of the movement's Commission IX on Palestine in New York in the near future. The meeting will hear a direct report from Palestinian representatives, analyze the current situation, and decide what the movement can do to achieve a comprehensive solution to the Palestine problem. The Nonaligned Movement's Commission IX consists of Bangladesh, India, Indonesia, Palestine, Zimbabwe, Cuba, Zambia, Algeria, and Senegal.

Alatas Criticizes U.S. Senate Committee Decision

BK1009140193 Singapore THE STRAITS TIMES in English 10 Sep 93 p 1

[By Jakarta correspondent Paul Jacob]

[Text] Jakarta—A U.S. Senate committee's decision to tie American arm sales to Indonesia to improvement of the country's human rights performance in East Timor has prompted a swift response.

Indonesia said it "very much regretted" the action. And it warned that the move could lead to it turning even more to other sources for its military requirements.

Foreign Minister Ali Alatas said Indonesia's basic position has been to always reject "conditionalities of a political character" attached to any form of foreign assistance.

He was commenting on an amendment to a foreign aid bill, moved by Senator Russell Feingold and adopted unanimously by the Senate Foreign Relations Committee on Wednesday. It requires a U.S. President to consult Congress and consider conditions before approving any arms sales to Indonesia.

These conditions include Jakarta's implementation of its stated goal of reducing the military presence in East Timor, a former Portuguese colony which Indonesia annexed in 1976; and increased access to the territory by international humanitarian and human rights groups.

The President must also consider if civilians convicted after a 1991 anti-government demonstration in East Timor have been treated fairly, whether military personnel responsible for killing and putting down protesters have been brought to justice, and whether steps have been taken to curb human rights violations by the armed forces.

The final amendment attached to the bill was a toned-down version of the original. The first version sought an outright sales ban and included calls for total withdrawal of troops and recognition of the East Timorese's right to self-determination.

The aid bill still has to pass the full Congress and be signed by President Bill Clinton before becoming law. This gives Indonesia time and opportunity to lobby against its adoption.

Mr. Alatas moved quickly in this regard to caution the U.S. that there was more at stake than just arms sales.

He said the Clinton administration and Congress ought to now "determine for themselves what kind of impact the amendment will have on the good, co-operative relations that have developed over the years between Indonesia and the U.S."

These ties had been developed "regionally, internationally and globally on political, economic and disarmament issues", he said.

If the bill became law, Indonesia would "turn to other sources" for military requirements.

This is something Jakarta is already doing. It has signed a pact to buy 24 British Aerospace Hawk aircraft, is awaiting the arrival of the first of 39 patrol boats bought from Germany, and has made undisclosed equipment purchases from Sweden.

Mr. Alatas said by attaching conditions to sales, the U.S. "would have taken the decision themselves not to be in that market because, after all, these are commercial sales".

Both he and Defence and Security Minister Edi Sudradjat, who met reporters separately, argued that information used by the committee to arrive at its decision was not a true reflection of the situation in East Timor.

Mr. Alatas did not comment on the follow-up action Indonesia would take and General Sudradjat reiterated only that the international media was painting a false picture of the situation.

Neither commented specifically on the conditions outlined in the amendment.

In Washington, Senator Feingold said after the amendment was adopted that it was a historic turning point in U.S. foreign policy because of the direct link made between arms sales and human rights violations.

"Hopefully, this action will serve notice to the government of Indonesia that the U.S. will not tolerate and will not assist the kind of human rights violations being perpetrated in East Timor," agencies quoted him saying.

The U.S. has already cut back on military education programmes for Indonesian officers, blocked the sale of U.S.-built F-5 jets from Jordan to Indonesia, and threatened to withdraw trade privileges next February if labour practices here were not improved.

Jakarta 'Deeply Regrets' Move

BK1009003493 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 10 Sep 93

[Text] The Indonesian Government deeply regrets the decision of the U.S. Senate Foreign Relations Committee on a draft bill on authorizing foreign aid for the 1993-94 fiscal year. A press release of the Department of Foreign Affairs in Jakarta said the committee which met on 8 September 1993 discussed and approved an amendment linking the sale of U.S. weapons to the human rights situation in Indonesia, particularly in East Timor. If the draft bill is approved by the plenary session of the Senate and signed by President Bill Clinton, Indonesia will turn to other suppliers to meet its needs for weapons. Thus, the Indonesian Government urges the U.S. Government and Congress to take into account the impact of the amendment on the existing good relations between the two countries.

'Recent Upsetting' in U.S. Relations Viewed

BK1009092993 Jakarta KOMPAS in Indonesian 25 Aug 93 p 4

[Editorial: "The Recent Upsetting U.S.-Indonesia Relations"]

[Text] These are facts. Indonesian-U.S. relations have been quite upsetting recently due to several issues which the U.S. feels (not Indonesia) need to be solved.

There are drawn-out issues, which are considered problems for the two countries. For instance, the U.S. request for Indonesia to open its markets wider for American-made commodities. There are also human rights and the East Timor issues—the latter is connected with the human rights issue.

Recently, several unpalatable issues have surfaced with regard to relations between the two countries. Sometime in the middle of this year, the U.S. asked Indonesia to improve the working conditions for its workers by providing their legitimate rights to establish their own workers organizations. If these conditions were not met, the U.S. would withdraw its Generalized System of Preferences (GSP) facilities, which enable certain Indonesian commodities to be tax exempt. The excuse given by the U.S. was that such facilities are also included in the GSP.

Two weeks ago, the U.S. Administration announced its disapproval of the Jordanian Government's intention to sell four F-5 jet fighter bomber aircraft to Indonesia. The U.S. had the right to disapprove of the sale by Jordanian authorities because the aircraft were made in the U.S. The most recent report carried by this daily yesterday, Tuesday [24 August], stated that the U.S. had reiterated its disapproval of Indonesia's weapons sales to Iran.

In our opinion, we are truly upset. After the collapse of the Soviet Union, we noted that the U.S. became the solitary superpower left to muscle its political, military, and economic desires worldwide. We feel that it is our turn to face such an experience [of U.S. muscling].

The most serious threat hurled at us by the U.S. was its intention to withdraw its GSP facilities by February next year if we do not "comply with the conditions laid down in the GSP—in connection with workers conditions." As an expert in international trade and an economist, Professor Dr. Suhadi Mangkusuwondo stated that the U.S. is, unquestionably, Indonesia's foremost trading partner. If the U.S. withdraws GSP facilities, Indonesia stands to lose its anticipated income of at least U.S.$460 million from nongas exports. This would be the amount we would derive from nongas export commodities.

President Suharto remarked that we should not undertake confrontational steps to solve problems between developing nations (including Indonesia) and their developed counterparts (such as the U.S.). Such problems should be solved through friendly and amicable discussions.

Apart from this, we will never be in a beneficial position if we decide to act against the U.S. in a confrontation. That is why the Indonesian Goverment will discuss the outstanding problems in connection with the GSP facilities with the United States Trade Representative (USTR) delegation in Jakarta in September. We admit that the problems to be discussed between two nations with different concepts will not be a simple matter.

If the above is true, then the question of solving important problems can be carried out in a friendly and amicable framework, which could advocate greater U.S.-Indonesia bilateral economic relations (in trade and investments).

We consider the statement by Indonesia's new ambassador to the U.S., Dr. Arifin M. Siregar, one of utmost importance. He stated the desire to intensify Indonesia's lobbying with other parties and certain U.S. concerns. We admit that this is important and we know our weaknesses. We are weak in lobbying activities. This is a fact and we are not humiliated to say that we are weak in carrying out these activities. For example, we carried out a series of lobbying activities, but the outcome was ineffective.

We wish to refer to the statements made by two officials to clarify this issue. First, Johannes Muskita, the former director general of domestic trade and former ambassador to Bonn, Germany, stated that there was no difference between international trade relations and individual interindustrial trade.

Second, Junaidi Yusuf, president director and owner of Konimex, was of the opinion that business relations will become more active if such endeavors are carried out in teams. This would definitely prove to be more beneficial and meaningful. It would be more beneficial to conduct business with a more friendly, cooperative, and caring attitude. In other words, business relations absolutely would be more profitable if such relations were to be conducted on a personal basis.

It would probably be more beneficial if Dr. Arifin Siregar could intensify the proposed lobbying through groups of business leaders as stated by Junaidi Yusuf.

We also wish to point out an issue in connection with our effort to carry out lobbying activities with various U.S. parties. We carried out a series of lobbying activities on a formal basis through the offices of U.S. programmers, who in turn carried out the process with the various U.S. Government agencies. Officials of the embassy in the U.S. also carried out similar lobbying activities. Such actions proved to be futile.

It was observed that the formal government-to-government discussions between the two nations ended without any concrete conclusions or were failures.

In our opinion, the Indonesian business circles which have direct economic, trade, and investment relations with their U.S. counterparts should be included in the lobbying activities. Those from business circles only functioned as guests, advisers, or observers in formal discussions. In fact, they have strong personal bonds with U.S. entrepreneurs. Who knows, relations between them could even be stronger than we expect.

There is proof that lobbying by business circles is more effective. Whenever a "conflict" concerning an Indonesian export commodity for the U.S. arises, the settlement of such an issue through formal discussions between the two parties proved to be very satisfactory due to the lobbying activities carried out by business associations and their leaders.

Indonesian association leaders nurture good personal relations with the U.S. parties—the officials of the U.S. Embassy in Jakarta; the foreign affairs department, USTR; the trade, agriculture, and revenue departments; business associations; and even U.S. congressmen (whether they are members of the House of Representatives or the Senate). For example, such personal relations could be seen through the willingness of U.S. delegation leaders to attend dinners hosted by Indonesian business leaders at their residences in Jakarta and the U.S. counterparts treating their Indonesian counterparts to similar functions at their respective residences when they are in Washington, DC.

When a "conflict" arises, personal relations could play an important and favorable role in formal discussions to achieve the desired outcome. Personal relations are not only limited to businesses.

On the other hand, if a "conflict" arises and no lobbying is carried out by business circles, then we stand to lose as a result of formal discussions between the two nations.

We put forward these issues in the effort to stress the importance of personal relations in connection with formal lobbying activities aimed at seeking amicable solutions to the disturbing U.S.-Indonesia relations.

Laos

Border Subcommittee Meeting Held With Thailand

BK1109160893 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 11 Sep 93

[Text] On 10 September, the general border peacekeeping cooperation subcommittees of Laos and Thailand held their first official meeting at the 24th Army

Circle command headquarters in Thailand's Udon Thaini Province. The meeting was cochaired by General Mongkhon Amphonphisit, chairman of the Thai-Lao General Border Peacekeeping Cooperation Subcommittee, and Colonel (Bolisout Phisit), chairman of the Lao-Thai General Border Peacekeeping Cooperation Subcommittee. All members of the two subcommittees participated. Also attending the meeting was Colonel Thawisak Kiatsali, Thai military attache to the Lao People's Democratic Republic [LPDR].

This is the first meeting ever held by the Lao-Thai and Thai-Lao General Border Peacekeeping Cooperation Subcommittees since the General Border Peacekeeping Cooperation Committees of Laos and Thailand held a meeting in Bangkok in early August 1993, during which the cochairmen of the two committees agreed to set up the said cooperation subcommittees.

At the meeting, the two sides reviewed the concrete outcome of past cooperation between the two sides in maintaining peace and order along the Thai-Lao border, while the friendly relations and cooperation between the peoples and armed forces of Laos and Thailand have been further upgraded and steadily strengthened. The two sides noted that such cooperation has been seen in the frequent exchange of visits by government delegations and leaders from the two countries, as well as delegations at various levels, thereby contributing to increasing and strengthening the existing friendship between the two sides.

The two sides also exchanged views on various issues regarding the maintenance of peace along the common border. They agreed to resolve a number of remaining problems between the two countries, including the adoption of certain measures and methods regarding the continued implementation of agreements reached earlier by the chairmen of the cooperation committees. These include the suppression of crime and armed subversion along the Lao-Thai border, cooperation in regulating and managing the inspection of visits by citizens of the two countries in accordance with the immigration laws of each country, and other issues.

At the end of the meeting, a memorandum was signed by the two sides regarding immediate cooperation between the two subcommittees. It is aimed at encouraging, advising, and assisting the provincial- level cooperation committees on the two sides, which have yet to hold joint consultative meetings with one another, including the LPDR's Champassak Province and Thailand's Ubon Ratchathani Province, Saravane Province and Ubon Ratchathani Province, Savannakhet Province and Mukdahan Province, Khammouane Province and Nakhon Phanom Province, and Bokeo Province and Chiang Rai Province.

At the meeting, General Mongkhon Amphonphisit, outgoing chairman of the Thai-Lao General Border Peacekeeping Cooperation Subcommittee, introduced Lieutenant General Oraphan Watthanasombun as his successor.

Philippines

Chinese-Marked Missiles Found Off Zambales

HK1309030393 Manila PHILIPPINE DAILY INQUIRER in English 13 Sep 93 p 16

[Report by Cesar Villa]

[Text] Subic, Zambales—Boxes of missiles were found off the coastal waters here, police said yesterday. The Olongapo City Metropolitan District Command (OCMDC) said a group of fishermen brought one box of the missiles to the police headquarters shortly before midnight Friday [10 September]. Sr. Supt. Florentino Sison, OCMDC chief, told INQUIRER the ammunition measured about 4 inches in diameter and 20 inches in length. There were speculations the projectiles could be cannon shells or warheads for surface-to-air missiles. Sison quoted the fishermen who brought one of the boxes to the OCMDC as saying there were several more boxes floating off the coastal waters of the province. The fishermen could bring only one of the boxes because they were heavy and because of strong waves whipped up by typhoon Warling, Sison added. One box contained 10 missiles, a police report said.

Zambales Gov. Amor Deloso asked the provincial police command to immediately send investigators to where the fishermen found the boxes of missiles to recover more of the boxes. Investigators said the cargo could have been dumped off the sea by distressed ships caught in the fury of typhoon Warling. [sentence as published] They said ships were known to have dumped their cargo off Zambales during typhoons in the past. After one such incident, coastal residents found thousands of color television sets floating off Zambales's northern coast. Investigators, however, are not discounting the possibility the illegal cargo are being smuggled into the country through Zambales.

The boxes of missiles had Chinese inscriptions on their sides, while the ammunition had the markings "M-29", police said. A police report quoted the fishermen who brought the box as saying the other boxes were being carried by strong waves towards northern Zambales.

UN Resolution on Iraq-Kuwait Dispute Supported

HK0909031693 Manila BUSINESS WORLD in English 9 Sep 93 p 12

[Report by Paul N. Villegas]

[Text] Foreign Affairs Secretary Roberto Romulo disclosed yesterday that the Philippines fully supports a United Nations Security Council resolution on the border dispute between Iraq and Kuwait.

Kuwaiti Ambassador to India 'Abd-al-Razzaq Razzuqi, who is also Kuwait's non-resident ambassador to the Philippines, recently met with Secretary Romulo at the Department of Foreign Affairs [DFA] to discuss the issue on the border dispute, which was covered by UN Security Council Resolution No. 633 on demarcation.

Mr. Romulo reiterated to Mr. Razzuqi the Philippine Government's long-held position that the "rule of law should always govern international relations and, therefore, the Philippines is fully supportive of Security Council resolution 633, which covers the issue on the boundaries dispute between Iraq and Kuwait."

Mr. Razzuqi was instructed by Kuwait Foreign Minister Sabah al-Ahmad al-Jabir al-Sabah, to visit several countries, which included Nepal, Bhutan, and the Philippines, to discuss the Security Council resolution.

Apparently, Iraq has rejected the borders specified by the UN Iraq-Kuwait Boundary Demarcation Commission, as approved and endorsed by the Security Council.

Sources said Iraq will accept only a bilaterally negotiated boundary.

UN Security Council Resolution 633 "demands that Iraq and Kuwait respect the international boundary approved by the UN Iraq-Kuwait Boundary Demarcation Commission." The resolution, which also guarantees the right to navigational access, was unanimously approved by the Security Council last May 27.

The terms of reference of the Commission were established in May 1991 through Security Council resolution 687 as a result of the Gulf War. The commission was tasked to perform technical works.

The basis of the Commission's work was based on a document entitled "Agreed Minutes", which calls for the restoration of recognition and friendly relations between Iraq and Kuwait. The document was formalized in Baghdad last October 4, 1963.

Mr. Romulo assured Mr. Razzuqi that the Philippine Government will abide by Security Council resolutions and said Iraq and Kuwait will do best to respect the Commission's decision on demarcation.

Meanwhile, Mr. Romulo yesterday belied claims that the DFA is discriminating against Muslims, noting that, at present, there are 59 Muslims working at the DFA either in the home office or at various foreign service posts.

He said the recent appointment of Sancez Ali, a Maranao from Lanao del Norte, as Ambassador Extraordinary and Plenipotentiary to Oman attests to the fact that the DFA is committed to enlist the services of qualified Muslims in the foreign service.

"There are equal opportunities and an affirmative action plan for Muslim career officers and politically appointed ones to ensure that they are properly deployed in the home office as well as overseas," Mr. Romulo said.

Marcos Funeral Schedule Delayed

HK0909092893 Quezon City ABC-DWET Television in Tagalog 1000 GMT 8 Sep 93

[From the "ABC-DWET News Program"]

[Text] A change has reportedly been made in the wake for former President Ferdinand E. Marcos' remains. The schedule to transport the remains of the former president from Laoag to Batac today has been changed to tomorrow. After arriving in the country yesterday, Mr. Marcos' remains have been placed on a grandstand in Laoag, Ilocos Norte.

The Marcos family has approved Laoag officials' requests to add one more night to the funeral. There will be a brief stop-over of the remains at the Mariano Marcos State University in Batac since the family still wishes to pass by the Marcos residence in the same town. Mrs. Manuela Ablan, the late president's aunt, has said that it is a practice to let the remains pass by his home first before interment. The change of schedule will, however, make it impossible for Mr. Marcos' remains to be buried at the same time with his mother, Dona Josepha, as the latter will be buried tomorrow.

Meanwhile, there have been no plans to open Mr. Marcos' coffin despite requests. Congressman Bongbong Marcos has said that it would be improper and the wake would lose its dignity if the casket is opened. Marcos Jr. has made the statement in response to rumors and a bad joke saying that the Marcos remains are not in the casket.

Imelda Changes Plans, Turnout Low

HK0809102093 Hong Kong AFP in English 0724 GMT 8 Sept 93

[Report by Roberto Coloma]

[Text] Laoag, Philippines, Sept 8 (AFP)—The family of the late dictator Ferdinand Marcos on Tuesday simplified plans for his funeral after hoped-for crowds stayed away and torrential rain disrupted the schedule. Laoag businessmen hoping to make a quick buck out of the funeral, forecast by local officials to draw more than a million people, were crestfallen at the sparse numbers who turned up following the arrival of the body from Hawaii Tuesday.

Marcos's widow Imelda told AFP that a planned two-day public wake at a university in his hometown Batac near this capital city had been scrapped in favor of a private wake before the remains are moved into a mausoleum on Friday. She distanced herself from aides' public forecasts of a turnout of more than a million people, saying she really wanted to keep it simple. "It was not for show. I did it for love," she said.

Plans personally overseen by the widow had called for a torch-lit funeral procession by thousands of people late Wednesday from Laoag to Batac, where there would have been a two-day wake with eulogies from prominent people at a state university built by Marcos. Instead the body will stay one more night in Laoag, stopping for only three hours in the Batac university for a Roman Catholic mass. After the mass, Marcos's mother Josefa, who died in 1988 but was kept preserved in a refrigerated crypt until his return, will be buried at a Batac cemetery, while Marcos will lie in state for a select audience at the ancestral home.

Marcos's remains were flown to Laoag by a chartered jetliner on Tuesday, seven years after a popular revolt in Manila sent him to exile in Hawaii, where he died in 1989. An estimated 10,000 to 20,000 people joined the airport welcome and a funeral march into Laoag. Hours after the flag-draped bier was installed on an inclined platform facing the Laoag Plaza, heavy monsoon rains drove away people queuing to pay their respects to the body. As the rain continued into the night, only a few dozen people kept vigil around the casket on the floodlit stage, praying for Marcos's soul on a public-address system and taking souvenir pictures. The red carpet was left soggy and soiled.

The Marcoses' decision to keep the gold-plated casket of the former president sealed because of uncertainty over the condition of his remains also dampened enthusiasm among followers, some of whom had travelled a long way to bid him a last farewell.

Erlinda Avis, 50, who had travelled a week by boat and bus from Palawan Island, said, "we loyalists want to see him so we can express our love for him in a better way. It's nice to see the president. We want to see his face because we haven't seen him in a long time," said Laoag tailor Anacleto Sevilla, 59, after shuffling past the casket and shaking the hand of Marcos's eldest daughter Imee at a reception line for mourners. [quotation marks as received]

But the Marcos family's embalmer, Frank Malabed, said he must check the corpse first and clean it up before it is shown to the public, hopefully by Friday at the airconditioned Batac mausoleum where a glass coffin has been prepared to display the Marcos remains for posterity.

Small enterpreneurs in Laoag were devastated by the low turnout. "We're bankrupt," said Elizabeth Ignacio, 32, a salesgirl at a snack stand near the site of the Laoag wake. "A lot of our food got spoiled." They had ordered 1,000 duck eggs to be boiled into a Filipino delicacy, balut, but had sold only 300.

"It's bad," said Lita Platon, an 18-year-old salesgirl at the next stand. They had ordered 150 cases of soft drinks, anticipating hordes of thirsty mourners, but had sold only 10 cases. "The radio announcers said there will be 1.5 million people," she complained.

In Manila, the country's highest-ranking Roman Catholic leader criticized Filipinos who attended the Marcos wake. "Hardly have we recovered from the years of terror during the dictatorship and here we are, flocking to the north to give funeral honors to him who caused all these problems for us," Manila archbishop, Cardinal Jaime Sin, said in a homily during Wednesday mass at Manila Cathedral. "Let us not compromise with evil," he said, warning that "the reign of terror which we thought we ended after 1986 is once again attempting a comeback to raise havoc upon our unknowing people."

Police Remain on Alert

HK0809074593 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 0400 GMT 8 Sep 93

[Text] The Philippine National Police-National Capital Regional Command's [PNP-NCRC] Oplan Pagbabalik [operation plan homecoming] will continue to remain in effect despite the arrival of former President Ferdinand Marcos' body on 7 September. This was disclosed by General Pedro Sistoza and Colonel Jolly Ventura, directors of the PNP-NCRC and the PNP Central Police District Command respectively.

According to the two police officials, Oplan Pagbabalik was conceived to prevent the outbreak of violence during the former president's homecoming. The operation took effect on 6 September and will continue to be in force until such time as the former president's remains are finally laid to rest.

Both police officials justified the continuance of Oplan Pagbabalik, saying that the police continue to have suspicions that there are those who are still planning to violate the earlier agreement for a peaceful burial, and to use the Laoag, Ilocos Norte affair to gain attention. General Sistoza said the police will continue guarding all government installations and other possible targets of violence, especially those located in Metro Manila.

Thailand

Government Welcomes Israel-PLO Accord

BK1109021593 Bangkok THE NATION in English 11 Sep 93 p A2

[Text] The signing of an agreement of mutual recognition by Israel and the Palestinian Liberation Organization (PLO) would contribute significantly to the entire Middle East peace process, Foreign Ministry spokesman Sakthip Krairoek said yesterday.

"The Thai government further hopes that this historic arrangement will lead to further agreements acceptable to all parties concerned, so that a durable peace, with no residual problems, may be achieved," Sakthip said.

Israel and the PLO agreed on Thursday to recognize each other ending a long-standing enmity. Under the draft agreement, the PLO would renounce terrorism and recognize Israel's right to exist. Signing of the agreement would clear the way for limited Palestinian self-rule in the Gaza Strip and West Bank town of Jericho.

Sakthip said the government welcomed the decision and praised all parties concerned for their efforts and noble sacrifices.

"All parties should be urged to render their full support to enable this peace settlement to be durable and practical. The Thai government will monitor this positive development closely and will render its full support to the peace process through all peaceful means," he said.

SAP Merges With Four Opposition Parties

BK1109014993 Bangkok THE NATION in English 11 Sep 93 p A1, A2

[Text] The Social Action Party [SAP] agreed in principle yesterday to merge with four opposition parties to become the biggest political camp, plunging Thai politics into murky confusion.

Parliament, which was in the midst of debating the Budget Bill, was buzzing last night with rumours, ranging from an imminent House dissolution to the SAP being dropped from the coalition government, after SAP leader Montri Phongphanit signed the agreement with the Chat Phatthana Party and three smaller opposition parties at the home of ex-prime minister Khukrit Pramot.

Coalition government leaders, with the exception of Montri, held a flurry of meetings last night after the bombshell agreement was made.

Chat Thai Secretary-General Banhan Sinlapa-acha was involved in some of the discussions as his party, the biggest opposition camp isolated from the merger scheme, suddenly emerged as an alternative to SAP whose future in the coalition appeared extremely uncertain.

Yesterday's deal sets no time-frame for the merger and requires the five parties' leaders to consult their members before a final pact could be adopted.

Although observers expect strong resistance to the merger from factions in the five parties, yesterday's agreement somehow snubbed critics who predicted the political manoeuvring, apparently spearheaded by elderly ex-SAP leader Khukrit, would never succeed.

"The five parties agreed that they should be merged into one in order to strengthen and stabilize the political system and enhance public trust in the Thai democracy," Kukrit told a press conference after meeting the five parties' leaders in the evening. He added that after members of the five parties endorsed yesterday's agreement, the "legal process" would begin on the merger.

The agreement envisions a new party with 90 MPs headed by Chat Phatthana leader and ex-prime minister Chatchai Chunhawan, with Montri as secretary-general.

The new party would also bring together the most colourful and controversial political veterans, like Prachakon Thai leader Samak Sunthorawet and Muan Chon leader Chaleom Yubamrung. The other opposition party which signed the merger deal is Ratsadon.

"We have been preparing for this for three months," admitted Ratsadon leader Chaiphak Siriwat. "We will see a clear picture of the new party 15 days from now."

The new party will maintain the name "Social Action". It was not immediately clear how the new party would define its role.

Earlier, Montri, while giving strong hints about the merger, declared continued support for Prime Minister Chuan Likphai—although the two have been reluctant coalition partners.

Montri was elusive when asked by reporters at Khukrit's home last night about the new party's political agenda.

He said Social Action would remain with the government, even after the merger. "We aren't pulling out, even after we have merged."

He laughed when asked whether he thought his party would be thrown out of the coalition. "If [the prime minister] doesn't want us, how can we stay?" he said.

Chatchai said Chuan would continue to be prime minister. "The merger has nothing to do with the government. We just want to bring together politicians with the same ideology," he said.

But Chaloem said later at Parliament that Chuan must not expect the new party to support him. "Nobody is so stupid to do anything like this to support him," the Muan Chon leader said.

A close aide of Chatchai indicated yesterday the merger was an attempt to seize a political opportunity at a time when the government is facing a crisis.

"The prime minister can no longer bear all the problems as far as the country's economy and security are concerned," said Sunai Suraphongsathom, Chatchai's personal secretary.

"If other parties can seek a mandate to rule, they will present the nation with an alternative."

Before the agreement was signed Chuan was reticent when asked yesterday for comment. "We'd better wait and see if the merger is possible," he said at Parliament.

Interior Minister Chawalit Yongchaiyut, leader of the New Aspiration Party, invoked his characteristic political philosophy when asked to comment on yesterday's development.

"A calm sea of politics is never beautiful. Small waves are fine."

Government spokesman Aphisit Wetchachiwa doubted the party to emerge from such a merger would last long.

"We have seen from history that this political manoeuvre is not an easy thing nor long lasting," he said.

Phalang Tham Party founder Chamlong Simuang, meanwhile, reacted guardedly to unfavourable possibilities stemming from yesterday's development.

The merger agreement led to tense speculation at Parliament that Chuan might have to drop SAP from the coalition and replace it with the Chat Thai Party, a major rival of Phlang Tham.

Observers also doubt that even if SAP remained with the coalition after the merger, Phalang Tham would be willing to "share the bed" with Samak [Suntharawet, leader of the Prachakon Thai Party], its number one enemy.

News of the merger agreement stunned MPs debating the 1994 Budget Bill in the assembly hall.

Chat Thai Secretary-General Banhan Sinlapa-acha was seen in a closed door meeting with Democrat Secretary-General Sanan Khachonprasat and Chamlong.

"Congratulations," Sanan said when asked to comment on the agreement. "As far as I know, Social Action is still a government partner." Democrat MP Phichet Phanwichatikun, secretary of the coalition whips' committee, said if the parties planning to merge actually wanted to take power, they might have miscalculated.

"Politics is not mathematics. Becoming a government is not as simple as adding more numbers to your party," Phichet said.

Thai-Cambodian Economic Zone To Be Launched

BK1009093893 Bangkok Radio Thailand Network in English 0000 GMT 10 Sep 93

["News in Perspective" feature]

[Text] Thailand and Cambodia have joined hands in pushing for a joint Thai-Cambodian economic zone project covering the border area connecting Thailand's Trat Province with Cambodia's Koh Kong. A high-level Cambodian delegation led by President of the Provisional National Government of Cambodia [PNGC] Prince Norodom Ranariddh will visit Koh Kong in the middle of this month to get first hand information on the joint project.

The joint Thai-Cambodian economic zone project was agreed upon last year by the Trat provincial administration and Koh Kong administration. Details of the scheme were submitted to the co- presidents of the PNGC, Prince Norodom Ranariddh and Hun Sen, when they visited Thailand last month. Thailand's proposals under the scheme have already been approved by the PNGC. The proposals call for the opening of the Ban Hat Lek, Talat Pak Khlong border checkpoints, and the development of the Asian route linking Thailand's eastern border with Ban Hat Lek, Koh Kong, Kompong Som, and Phnom Penh. They also call for the establishment of a trade and industrial area covering 20,000 rai of land and construction of a power plant. Trat Governor Amon Anantachai, who will become the governor of the neighboring province of Chanthaburi on 1 October, says the private sector will be encouraged to invest in most of the programs under the scheme.

Concerning the development of the Eastern Asian route, the Cambodian Government is seeking a loan from Thailand to finance the program. Since the joint Thai-Cambodian economic zone project was announced, a great number of Thai and foreign business people have shown keen interests in the project. Five large Hong Kong-based companies have so far asked for the inspection of the economic zones. As Trat Province is directly involved in the project, the provincial administration deemed it necessary to expedite the project for mutual benefits of both countries. The province will hold a seminar on guidelines for investment and tourism promotion along the Thai-Cambodian border and in the joint Thai-Cambodian economic zone project. The seminar is scheduled for 18 September in the province. Resource persons include Commerce Minister Uthai Phimchaichon, Secretary General of the Board of Investment Sathaphon Kawitanon Director General of the Department of Economic Affairs, Ministry of Foreign Affairs, Sawanit Khongsiri, and Governor of the Tourism Authority of Thailand Thammanun Prachuapmo. Prince Norodom Ranariddh will be invited to open the seminar and give a lecture. The invitation will be made unofficially. The Commercial Office of Trat Province has been entrusted to organize the seminar which is expected to be one of the great events of the province in recent years. It is believed that the seminar will attract many investors in the joint project which will be carried out in a form of an industrial estate.

The joint Thai-Cambodian economic zone project will be a major move in the Thai-Cambodian economic relations. It will, in particular, greatly contribute to Cambodia's economy and help improve the living condition of the Cambodian people.

Chinnawat Plays Role in Telecommunications

BK1309013793 Bangkok THE NATION in English 13 Sep 93 p B1

[Text] Chinnawat Group, Thailand's biggest telecommunications concern, is emerging as a power player in Cambodia's embryonic telecommunications and broadcasting industries after local authorities signalled they would protect existing investors in these two sectors.

Chinnawat has begun strengthening its foothold in Cambodia with the operation of its IBC television station, a 99.0 MHz FM radio station and a public switching telephone network. The telephone system, called Wireless Local Loop (WLL), is developed with Finnish technology.

The group has been awarded a 99-year contract from the government for its broadcasting service and a 20-year contract for its telephone service.

Ing Huot, the minister of Post and Telecommunications, said the government will not grant any new licences for TV broadcasting, believing that too many stations will lead to a drop in programme quality.

Another reason for limiting investors is that broadcasters will face difficulties in selling commercial air time due to the country's small population and economy.

There are around nine million people in Cambodia, three million of whom live in Phnom Penh and nearby provinces. But there are only 300,000 TV sets in the whole country.

Only two TV channels cater to Cambodian viewers, who are thirsty for news and entertainment programmes after years of hardship. One channel is operated by the government and the other by IBC TV Cambodia Co Ltd, a subsidiary of the Chinnawat Group.

A Malaysian company was also awarded a licence to produce a similar TV service to Chinnawat's IBC, but it has yet to make any effort to start up.

IBC TV Cambodia has already poured over Bt[baht]100 million into developing its broadcasting. With 10 kilowatts of transmission power, it can broadcast to about 70 per cent of the population.

With a daily 13 hours of air time, it is charging advertisers Bt15,000 a minute during prime-time programming.

Ing said the government has awarded a TV licence to a Taiwanese firm, which plans to operate a cable network, but it has no plan to issue any more.

Referring to mobile telephones, Ung pointed out that the government will not promote this sector because the market is too small and will not be worthwhile investing in.

Cambodia's outdated telephone system is now more than 40 years old, and only 2,000 lines are functioning.

The government will open bids for investors to provide land-line public telephone services in the near future. It also wants to licence a paging system.

Upgrading Cambodia's communications facilities will help Cambodia Chinnawat (Cam Shin). Wikrom Siphrathak, an executive of the Chinnawat Group, said the company plans to invest in land-line telephones, but it is not feasible at the present.

"We may shift our telephone facilities to the provinces which are far from the capital, once we can standardize the land-line telephone. That is our plan to make the investment worthwhile," he said.

The company plans to install 3,0005,000 numbers by the end of this year.

It has spent US$12 million on investment at the initial stage, with each telephone line requiring an investment of Bt30,000.

New Labor Office in Malaysia To Assist Workers

BK1009063693 Bangkok Radio Thailand Network in English 0000 GMT 10 Sep 93

[Text] A Thai labor office has been opened in Malaysia to assist Thai workers there. The office was officially opened on Monday in Kuala Lumpur by the Thai ambassador to Malaysia, Suraphong Posayanon. The Thai labor office in Malaysia is the 11th of its kind to be established in foreign countries. The office will provide assistance for Thai workers and protect their employment rights as well as promote labor relations between Thailand and Malaysia. About 30,000 Thai workers are now working in Malaysia.

RS/10-6-93

Vietnam

Spokesman Welcomes Israeli-PLO Pact

BK1109154493 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 11 Sep 93

["Full text" of SRV Foreign Ministry spokesman statement on agreement reached between Israel and the Palestinian Liberation Organization]

[Text] According to foreign sources, on 10 September in Jerusalem, Israel Prime Minister Rabin signed a document recognizing the Palestinian Liberation Organization as the representative of the Palestinian people. On the same day in Tunis, PLO Executive Committee Chairman 'Arafat also signed a statement recognizing Israel's right to exist.

Meanwhile, the PLO and Israel have agreed, in principle, to give autonomy to the occupied territories in the Gaza Strip and Jericho. This agreement is expected to be signed in the near future.

Although it is only the beginning, this is the first time after more than 45 years of conflict that Israel and the PLO have held talks and recognized each other. The signing of this agreement is also a positive step of decisive significance that is aimed at solving the Palestinian problem—the core Middle East issue—and opening the prospects for a peaceful solution to other issues in the Arab-Israeli conflict.

Vietnam welcomes the agreement on mutual recognition reached between Israel and the PLO. Vietnam also hopes it will soon be signed and strictly executed so that it can: contribute to reaching a comprehensive, equitable, and durable solution to the Palestinian issue; restore peace, stability, and security in the Middle East; ensure the basic national rights of the Palestinian people, including the right to establish a separate state; and respect the independence, sovereignty, and territorial integrity of the Arab countries as well as the interests of all nations in the region.

Hanoi Denounces Russian POW Document

BK1009140593 Hanoi Voice of Vietnam in English 1000 GMT 10 Sep 93

[Station Commentary]

[Text] Another Russian document on Americans missing in action during the Vietnam war has been released. According to the document, Vietnam detained more U.S. prisoners of war than the original declaration. Here is our radio comment:

This is the second time the Russian document on American POWs in Vietnam has been disclosed within six months. Like the previous document, this time it put forth a much higher number of POWs to a substantial figure. In fact, this number is fabricated.

When the Paris Agreement on Vietnam was signed, all 585 Americans and other foreigners held captive in Vietnam were returned to their home countries. Since then, no American POWs were detained in Vietnam. Any other figures on American POWs are incorrect because of inaccurate information or intentional fabrication.

It is not accidental that the two documents were issued at important stages in the development of Vietnam-United States relations. In April [as heard] this year, when a new President Clinton was sworn in, and considering the United States policy toward Vietnam, a Russian document alleging that Vietnam still detained live American POWs was put forward. However, the world media, especially within the United States, described that document as inaccurate, fabricated, and unbelievable.

This time, the Russian document was advanced just four days before the United States considers its embargo against Vietnam. It is an attempt to hamper the process of normalization of relations between Vietnam and the United States.

Vietnam's stance on settling humanitarian issues is clear and consistent. It is to actively and fully cooperate with the United States. Anyone who wants to hinder the development of Vietnam-U.S. relations will not reap what they expect.

Mr. Gibbons, chairman of the Trade Committee of the United States House of Representatives, said after his visit to Vietnam recently, that the United States embargo against Vietnam is ineffective.

Rejects Russian POW-MIA 'Fabrication'

BK1109053793 Hanoi Voice of Vietnam Network in Vietnamese 0015 GMT 11 Sep 93

[Commentary by Duong Quang Minh]

[Text] The Pentagon has said that it has again received a report, found in the archives of the former Soviet Union, that since the early 1970s Vietnam has held captive a few hundred more American POW's than it acknowledged to have held and returned to the United States. Our attitude toward this issue is crystal clear: We totally reject this claim and affirm that this is a fabrication.

Our Foreign Ministry spokesman stated on 9 September that Vietnam had in hand 585 American and foreign POW's at the time of the signing of the Paris agreement on Vietnam, as the U.S. has been informed. Vietnam returned all of them to the U.S. Government in March 1973. So far, no U.S. POW's left behind after the war have been held captive in Vietnam. All other figures on U.S. POW's in Vietnam are inaccurate due to misinformation or ill-intentioned fabrications.

As we know, this is not the first Russian document about U.S. prisoners during the Vietnam War. One can still recall that in late 1991 certain people claimed that there were U.S. POW's being sent to the Soviet Union and now kept under detention in Russia. This immediately sparked a controversy among the public, particularly the U.S. public. We issued a statement affirming that this was 100 percent fabrication, whereas the U.S. Administration did not bother to conduct a search. What about the results? The then U.S. State Department spokesman, Mrs. Margaret Tutwiler, stated in a 13 January 1992 news conference in Washington that American officials at the U.S. Embassy in Moscow had conducted an investigation into reports about American servicemen being captured in Vietnam and detained in Russia. They had, however, found no evidence to confirm these reports. Mrs. Tutwiler said: The U.S. State Department saw this case as conclusive and there was no need to conduct any further investigations and searches.

In late 1992, certain people again released another fake document related to the fate of missing U.S. servicemen in Vietnam. This document was allegedly taken from the archives of the KGB, a former Soviet counterintelligence agency. We once again rejected this while the U.S. Administration launched an investigation to discover the truth. Like the previous case, this time the U.S. admitted that this document was a fake.

Senator Tom Harkin stated to the U.S. Congressional POW-MIA Committee that certain people cut out photographs from old Russian magazines and then alleged that they were U.S. prisoners during the Vietnam war and were still alive, and that this was a brutally deceitful act.

Admiral (Thomas Brooks), former director of U.S. Naval Intelligence, also said late last year that the U.S.

had met so many reports which were either fabricated or totally inaccurate to the extent that analysts became skeptical of all other reports received.

As in The previous two cases, early this year certain people raised the question of POW-MIA information being found in a third-country document. This scenario, of course, also faced the same fate as that of its two predecessors.

After spending some time looking for the truth, the U.S. Administration reached a conclusion. The one who arrived at this conclusion is the incumbent U.S. President, Bill Clinton. At his White House news confernce on 23 April 1993, he said: I feel optimistic about Vietnam's latest response to the identification of the Russian document. Vietnam has provided us with evidence that may reduce the value of that information mentioned in the Russian document. He also added: It is thanks to the response from the Vietnamese side to the Russian document that the United States has made some progress toward examining those remaining cases of American POW's and MIA's.

It was thought that such stories about fake documents on POW-MIA's would no longer resurface, but in this life there are still some people who refuse to change their bad habits even if they are beaten to death. Inherently harboring a deep hate for Vietnam, the U.S. ultrarightist force has sought ways to block or undermine any positive developments in U.S.-Vietnamese relations.

Lately, they have again released a document claiming that Vietnam held a larger number of American POW's than they returned to the United States. Perhaps, needless to say, one can have sufficient grounds to affirm that this is a new fabricated story. Eventually the curtain on this stage play will drop quickly and those standing behind it will not be able to produce their expected results.

It is necessary to emphasize here that we regard the POW-MIA question as a genuine humanitarian issue. We condemn anyone who tries to attach this issue to political demands. We hope and struggle for the normalization of U.S.-Vietnamese relations. But these relations should be based on equality and mutual respect for each other's interest and collective interest.

Army Newspaper Denounces Document

BK1209150893 Hong Kong AFP in English 0750 GMT 12 Sep 93

[Excerpts] Hanoi, Sept 12 (AFP)—Hanoi's army newspaper deplored Sunday a Russian document indicating that former North Vietnam witheld U.S. prisoners of war (POWs) as an "inhuman way to make money... by trading on the suffering of American families."

In an editorial, the People's Army [QUAN DOI NHAN DAN] daily compared the document released last week with several photos, statements by Russian officials and documents on Vietnam's U.S. POWs that have appeared over the past few years and later discredited by U.S. investigators.

"These types of efforts to earn money in an inhuman way in the past were limited to certain bad elements of the Vietnamese exile community," the editorial said.

"But now, this trading on the suffering of American families with loved ones who died or went missing during the Vietnam War seems to be taking on an international character."

While Hanoi officials say they believe the majority of Americans seeking resolution of the missing-in-action issue are sincere, they accuse economic opportunists and anti-communist activists of using the issue as a pretext to further their own aims.

A U.S. government analyst specializing in the issue said that, in the past, close to 90 percent of the photographs and reports of purported U.S. POWs sighted live in Vietnam, Cambodia or Laos originated within the overseas Vietnamese community.

Now that damaging material is starting to come out of the former Soviet Union, some Vietnamese officials say privately they suspect elements close to Russia's new anti-communist government of deliberately manipulating the POW issue for political ends.

A Western academic here dismissed those suspicions as paranoid, but he added that the former Soviet archives have not escaped the taint of the corruption that has permeated Russian society.

"There are a lot of people who come up to you offering to get you documents or access to the archives for the right amount of money," said the academic, who recently visited Moscow to further his research on Vietnam. [passage omitted—background on Russian document]

"The ill-intentioned distribution of a fabricated 'Russian document'... has interfered with the process of normalizing Vietnamese-American relations at a very sensitive moment," the editorial said.

Magazine Criticizes Asian Arms Race

BK0909092993 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 8 Sep 93

[Unattributed article published in September 1993 issue of Foreign Ministry magazine QUAN HE QUOC TE, INTERNATIONAL RELATIONS]

[Text] There are two simultaneous races with contradictory characteristics in the South China Sea. In the economic development race, new efforts have been exerted by regional countries to exploit all means available.

The Filipinos are transferring the Subic Bay military base left by the United States into an international port facility and big economic center. Taiwan is leading the investment there. The internationalization of the Subic Bay base for economic purposes is only one of the projects of the Philippines' highly ambitious national development plan, outlined at the beginning of this year by President Ramos, to modernize his country in order to make the Philippines an industrialized country by the turn of this century.

The Utapao Air Base in Thailand, built by the United States during the Vietnam war, has signed a contract with the World Commercial Organization (Kanpact) to develop it into an international transportation center for the Asia-Pacific region.

While accelerating its growth quadrangle in the north with Laos, Burma, and China, Thailand is coordinating with northern Malaysia and Indonesia to form a growth triangle in the south. Southern Malaysia and southern Sumatra have coordinated with Singapore for many years in another growth triangle. In the northeastern side of our country over the past five years, Hainan Island has formed an economic center to integrate with the energetic and prosperous rhythm of the coastal region of southern China.

In the meantime, new information relating to the arms race in Southeast Asia has been given special attention by the public. The importance of this issue was also mentioned by many major regional newspapers in their commentaries and editorials.

In the ASEAN foreign ministers meeting last July in Singapore, Russian Foreign Minister Kozyrev stated that from now on, the key symbol of Russia's presence in Southeast Asia will be freighter ships replacing missile-carrying cruisers, and joint venture projects replacing nuclear weapons submarines. Since the disintegration of the USSR, Russia has become a major weapons seller to countries in this region. Many countries have increased their military spending to double-digit figures.

Recently, Malaysian Defense Minister Najib revealed Malaysia's plan for big spending over the next 10 years to modernize its Armed Forces. He confirmed that Malaysia will purchase military aircraft from Russia and the United States. Malaysia also plans to purchase large sea patrol aircraft and possibly submarines. He said that the ending of the Cold War makes Asia's security unstable and unpredictable. Therefore, all countries need to strengthen their abilities to deal with the worst situation. Malaysia's goal is to build a reliable detente force.

Indonesia purchased battleships from Germany and it wants to buy more fighter planes.

China continues to strengthen its assault force in the South China Sea, while its Navy is already stronger than all of the fleets of the Southeast Asian countries combined. The photo taken by a Japanese oceanic exploration satellite on 4 May, and released by the National Space Development Agency NB [expansion unknown] on 4 August, shows that a 2,500-meter tarmac was built by the Chinese on Phu Lam [Wooded] Island of the Hoang Sa [Paracel] Archipelago. The island has been occupied by China since 1974. On 21 August YOMIURI SHIMBUN, based on the photos taken by Japanese satellites, reported that China was building a port in Hoang Sa capable of receiving 4,000-ton oil tankers, ocean cruisers, and submarines. The port will increase the range of the Chinese Navy in this area.

In Singapore, Chinese Foreign Minister Qian Qichen stated that the airport does not have a military purpose. He confirmed that China, now and in the future, is not seeking hegemony. It is only pursuing economic development. Regional analysts, however, have mentioned a book on military secrets recently published by the PRC Security Ministry. The book says that China's first priority is to establish air support for a possible war in the Hoang Sa Archipelago. The Hoang Sa airport helps to shorten the distance for Chinese aircraft from Hainan to Truong Sa [Spratlys] by nearly one-half. Taiwan also plans to build an airport and military port there.

The swift arms race in the region has developed in the seabed of Southeast Asia underwater currents with the danger of explosion. The arms race, if not controlled, will reach a point of damaging or interrupting the races for economic cooperation and regional peace and stability. Regrettably, there has not been appropriate acknowledgement of the urgency of this issue. A common coordination and effort have not emerged to stop the arm race on the sea.

Vo Van Kiet Meets Vice President of Mobil Oil

BK1009160593 Hanoi VNA in English 1550 GMT 10 Sep 93

[Text] Hanoi VNA Sept. 10—'Whether the US Government for this or that reason continues its embargo against Vietnam or only reduces effectiveness of the embargo has no influence on the cooperative relations between Vietnam and American economic corporations'.

So said Prime Minister Vo Van Kiet while receiving here yesterday afternoon Kent Accord, vice-president of the Mobil Oil Company, and his party now on a working visit to Vietnam.

The Vietnamese prime minister assured the American guests that the Vietnamese Government would support and create conditions for those American companies and economic groups in general and the Mobil Oil Company in particular which have goodwill to establish mutually beneficial cooperation with Vietnam and to implement [word indistinct] project [word indistinct] cooperation for the prosperity and happiness of the people of both countries.

Vice President Kent Accord, on his part, expressed his company's wish to cooperate with Vietnam in the immediate as well as long-term programmes in all fields from exploration, exploitation and refinery to marketing of products.

He said that in the very near future, his company would like together with other foreign oil groups to sign a contract for the exploitation of oil and Thanh Long Field.

Petrovietnam Director General Ho Si Thoang was also at the reception.

Bank of America Executive Received

BK0909153193 Hanoi VNA in English 1439 GMT 9 Sep 93

[Text] Hanoi VNA Sept. 9—Vice-President Nguyen Thi Binh received here today Kai S. Nargolwala, executive vice-president of the Bank of America (B.A.), in charge of Asia who is on a working visit to Vietnam.

Vice-President Nguyen Thi Binh welcomed the early establishment of the B.A. representative office in Vietnam, and expressed her wish for further development of the cooperative ties between the B.A. and Vietnamese banks in the interests of the two countries.

For his part, Mr. Kai S. Nargolwala said that the B.A. will share its experience with Vietnamese colleagues help Vietnam train personnel and transfer technology aimed at making contributions to the development of Vietnam. He hoped that the B.A. will open its branch in Vietnam soon.

Prime Minister Meets Cuban Delegation

BK1009155393 Hanoi VNA in English 1543 GMT 10 Sep 93

[Text] Hanoi VNA Sep. 10—Prime Minister Vo Van Kiet received here today the governmental economic delegation of Cuba led by Vice Minister of Foreign Trade Pedro Alvarez, on a visit to Vietnam. While here, the Cuban delegation had working sessions and signed cooperation agreements with senior officials of the ministries of trade and public health.

At the reception, Vice Minister Pedro Alvarez highly appreciated cooperation and support of the fraternal Vietnamese people who have deeply sympathized with the Cuban people in the current difficulties. He affirmed that the Cuban Government and people respect the agreements signed or to be signed between the two countries. They would try their best to early implement those agreements in the interests of both countries, the Cuban vice minister said. On this occasion, Mr. Pedro Alvarez expressed the Cuban Government and people's gratitude to the Vietnamese Government and people for their support at present as well as in the past. For his part, Prime Minister Vo Van Kiet urged for more effective attentions to the present cooperative relations between Vietnam and Cuba. He renewed that Vietnam regards the difficulties that Cuba is facing with as those of itself. Vietnam will grant Cuba whatever it has if Cuba requires, he confirmed, adding that Vietnam-Cuba cooperation and assistance will serve as the strength for both peoples to advance forward.

Nong Duc Manh Visits Hai Hung Province

BK1209085793 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 10 Sep 93

[Text] Comrade Nong Duc Manh, member of the Political Bureau and chairman of the National Assembly, paid a three-day working visit to Hai Hung Province from 6-8 September. After having been briefed on the local socioeconomic situation and the provincial people's council's activities over the past eight months by the comrade leaders of the provincial party committee, the people's council, and the people's committee, National Assembly Chairman Nong Duc Manh toured a number of districts, villages, and industrial establishments to assess production and business operations as well as the activities of people's councils at all levels.

Chairman Nong Duc Manh commended Hai Hung because it belongs to the list of five provinces which have eradicated illiteracy; made efforts to ensure that all villages benefit from the rural electrification program; and will have reduced the number of poor families by 50 percent by 1995.

Chairman Nong Duc Manh took into account the aspirations of cadres, peasants, and people's councillors and promised to convey them to the party, National Assembly, and government.

Do Muoi, Dao Duy Tung Visit Ha Giang

BK1309095393 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 12 Sep 93

[Summary] Dear friends, during the past two years since its seperation from Ha Tuyen Provinnce, Ha Giang Province has strived to quickly stabilize its economic organization and development. In 1992, its gross grain production output was more than 127,000 tonnes, per capita in grain was 250 kg, and its cattle population increased remakably. However, Ha Giang still faces numerous difficulties and is one of the poor provinces in Vietnam. Its handicraft production output accounts for only two percent of the province's total income. The processing industry is developing slowly. About 70-80 percent of peasant households face hunger every year during the preharvest lean period. Moreover, illiteracy is still prevalent, more than 50 percent of children of the 6-14 age group do not attend school, and malaria and goiters are still serious problems.

"During his visit to Ha Giang, party General Secretary Do Muoi hailed the province for its efforts to fight illiteracy and develop education. Upon his arrival in Ha

Giang. Comrade Do Muoi visited the province's Teachers College Level I and the Tran Phu kindergaten school."

During the past 30 years, the Ha Giang Teachers College Level I has produced 3,000 teachers for localities. At present, 50 percent of its students are ethnic minorities.

"Addressing teachers and students at the college, Comrade Do Muoi commended the college for its past achievements and contributed some viewpoints in training teachers for elementary schools in mountain provinces. Comrade Do Muoi said:

[Begin Do Muoi recording] "I would like to say that textbooks provided by the Ministry of Education and Training are designed for localities throughout the country. As for students of ethnic minorities, we must take appropriate measures to help them to clearly understand such subjects as mathemetics, chemistry, and physics given their past experiences and real conditions in their localities. As a result, lecturers and students of the college must strive to improve teaching and learning methods to satisfactorily carry out the task. We must pay special attention to the concept of combining studying with practicing, that is, to learn so that one knows how to work. Therefore, I welcome the idea of having more teachers of ethnic minorities at schools in mountain provinces to meet the aspiration of the people and ethnic minorities in the region." [applause] [end recording]

On the same occasion, Comrade Do Muoi presented a volume of teaching aid to the college. Afterward, the General Secretary and Comrade Dao Duy Tung, member of the party Central Committee Political Bureau planted trees at the college and the Tran Phu kindergaten.

Dear friends, also during his visit to Ha Giang, Comrade Do Muoi held a working session with leading cadres of the provincial party and people's committees, businessmen, and producers to discuss the socioeconomic situation. For districts in the highlands, Comrade Do Muoi urged them to plant more industrial crops, fruit orchards, and new rice varieties.

"Visiting the Viet Lam Tea Processing Factory and other production establishments, Comrade Do Muoi contributed many concrete ideas aimed at renovating the contractual system in crop patterns, in afforestation, in improving irrigation, and in enhancing nutrition for ethnic minorities.

"In his analysis, Comrade Do Muoi stressed that Ha Giang's potential is great. However, to make the province prosperous, efforts must be made to shift to goods production, promote intensive cultivation, and expand areas for main crops and animal husbandry. Ha Giang must strive to study and change the crop patterns to suit its local conditions, while expanding economic components in accordance with our party's orientations.

"In his visit to the Ban Bang Cooperative in Dao Duc village, Vi Xuyen District, Comrade Do Muoi was very happy to note that the Dao tribe is now enjoying a better standard of living thanks to the settlement of nomads."

Dear friends, during their stay in Ha Giang, Comrades Do Muoi and Dao Duy Tung also paid a tribute visit to the military cemetery in Vi Xuyen District and presented a gift to members of the F-313 Army Unit.

"On behalf of the party Central Committee Political Bureau, Comrade Do Muoi commended the unit for its efforts and achievements. He urged the unit to continue to develop these achievements; to satisfactorily fulfill its present tasks entrusted by the Military Commission of the party Central Committee and the Military Region; and to contribute, together with people of Ha Giang, to firmly protecting the border province of peace and friendship."

Vu Oanh Attends Trade Union Conferences

Fourth Congress of Defense Delegates

BK0809142393 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 8 Sep 93

[Text] The fourth congress of all army defense trade union delegates opened this morning, 8 August, in Hanoi. Attending the congress were 250 delegates representing nearly 70,000 office and manual workers of the defense industry.

Comrade Vu Oanh, member of the Political Bureau; Comrade Truong My Hoa, secretary of the party Central Committee; and Comrade Nguyen Van Tu, president of the Confederation of Vietnamese Workers attended the conference. Comrade Senior Lieutenant General Nguyen Trong Xuyen and Comrade Sen. Lieut. Gen. Dao Dinh Luyen also attended the congress on behalf of the party Central Committee's Military Commission and the Ministry of National Defense.

Comrade Senior Lieutenant General Le Kha Phieu, secretary of the party Central Committee and director of the Political General Department, delivered the opening speech. Next, Comrade Senior Lieutenant General Nguyen Nam Khanh, deputy director of the Political General Department, delivered a report on the implementation of trade union-related work in the Armed Forces. In his speech, Comrade Senior Lieutenant General Nguyen Nam Khanh took into account the efforts of office and manual workers of the defense industry, as well as the activities of trade union organizations in the Armed Forces since the third congress of all-army trade union delegates in 1988. This year, the value of defense industry-generated product has increased to 1.48 trillion dong from 0.45 trillion dong in 1990. Defense industry workers have provided good support services to weapons maintainance and have turned out different kinds of products to meet customer demands. Trade union organizations in the Armed Forces have positively contributed to improving the political background, professional skills, and living conditions of office and manual workers of the defense industry, as well as to broadening the scope of social activities.

Based on the actual development of the emulation movement among defense industry workers and the activities of defense trade union organizations, the report defined the objectives, orientations, tasks, and action programs for the emulation movement among defense industry workers. Continued efforts are needed to renovate trade union activities in the next five years.

In expressing their views to the congress, Comrade Vu Oanh, member of the Political Bureau; Comrade Nguyen Van Tu, president of the Confederation of Vietnamese Workers; and Comrade Senior Lieutenant General Nguyen Trong Xuyen, deputy minister of national defense, highly valued the results of the emulation movement among defense industry workers and of defense trade union activities so far. They reminded everyone of the need to continue participating in the movement and to modernize weapons and equipment step by step as well as keep them in top operating conditions.

Regarding consumer goods production, it is necessary to turn out high quality products to keep pace with the economic growth rate in the entire country. Defense industry workers should make efforts to develop the fine traditions of Uncle Ho's soldiers, and share such difficult tasks as road construction and infrastructure building aimed at bringing about civilization in former revolutionary bases and areas inhabited by ethnic minority compatriots. Defense trade union organizations should adopt different forms of activities to help office and manual workers boost socioeconomic development and consolidate the working-class people's confidence in the party and state.

The fourth congress of all army defense trade union delegates will last for three days. On this occasion, the Confederation of Vietnamese Workers has conferred the 'For the Sake of Building Trade Union Organizations' Medal to a number of comrade defense ministry officials for their contributions to the trade union movement so far.

Tenth Conference of CVW Executive Committee

BK1009092393 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 9 Sep 93

[Text] The Executive Committee of the Confederation of Vietnamese Workers [CVW] held its 10th conference in Hanoi from 6 to 9 September to discuss and perfect various documents, and to decide on the convening of the Seventh CVW Congress. Comrade Vu Oanh, member of the Communist Party of Vietnam Central Committee Political Bureau, attended and addressed the conference.

Delegates to the conference, with a high sense of responsibility, contributed many ideas to these documents before submission to the upcoming Seventh CVW Congress. The documents included: the draft political report entitled "Renovating the Organization and Activities of the Confederation of Vietnamese Workers To Contribute to National Construction and Defense and To Protect the Laboring People's Interests;" the draft report on amending the CVW statutes; and the report on the structure of the Executive and Standing Committees of the CVW, seventh term.

The conference approved the namelist of 610 delegates to the Seventh CVW Congress, reviewed activities of the CVW Inspection Committee since 1988, and set tasks and orientations for the days ahead.

After reviewing the preparation work, the conference decided to convene the Seventh CVW Congress in the second week of November of this year. The conference also urged trade unions at each basic unit, sector, and locality to accelerate the movement for better work, quality, and efficacy; and to strive to satisfactorily carry out the two strategic tasks of building and defending the fatherland, in order to score new achievements and to welcome the upcoming Seventh CVW Congress.

First Congress of the Banking Sector

BK0909143393 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 9 Sep 93

[Text] The first trade union congress of the banking sector was held in Hanoi this morning, 9 September. Attending were Vu Oanh, member of the Communist Party of Vietnam Central Committee Political Bureau; Truong My Hoa, member of the party Central Committee Secretariat; Nguyen Van Tu, member of the party Central Committee and chairman of the Confederation of Vietnamese Workers; and Cao Sy Kiem, member of the party Central Committee and governor of the Vietnam State Bank. Also attending were 350 delegates representing more than 50,000 cadres, workers, and personnel of the banking sector.

The congress plays a very important role in strengthening and perfecting the banking sector's trade union as well as in ensuring the efficacy of the union's activities in the 1993-98 term. It discusses tasks, orientations, objectives, and the program of action of the banking sector's trade union for its next term. This includes efforts to motivate members to participate in renovating banking activities, improving ties between the banking sector and clients, strengthening the organization through marketing, enhancing management efficiency, and expanding credit and loans. The congress will last for two days.

Philippine Peace Talks To Be Held

BK1009160293 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 10 Sep 93

[Text] In Hanoi on 10 September, the SRV Foreign Ministry spokesman answered a reporter's question about reports that Vietnam has agreed to provide a venue for talks between delegations from the Philippine Government and the National Democratic Front [NDF]. He said: At the request of the Philippine Government, and with the consensus of the NDF, the Vietnamese Government has agreed to provide a venue for preliminary talks between the Philippine Government and the NDF in Ho Chi Minh City. The dates and schedule of the talks will be discussed and set by the two Philippine sides.

This decision by Vietnam shows its goodwill and aspiration to strengthen the fine relationship, understanding, and mutual trust between Vietnam and the Philippines as well as between Vietnam and other countries in the region for peace, stability, cooperation, and development in Southeast Asia.

Provincial TV Center Begins Operation

BK0409132593 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 4 Sep 93

[Text] A television center was officially put into operation by the Vinh Phu Provincial Radio and Television Station on 3 September, after it had been installed and test-run.

This center is equipped with a satellite-signals procesing system and a 1,000-watt color transmitter. The test-run shows that broadcast signals can effectively reach places as far as 50 to 60 km from the center.

Thus, in addition to the provincial television center, Vinh Phu Province now has five regional TV relay stations capable of ensuring satisfactory relay of various programs of the Vietnam Television Station, and the provincial radio and television station, in the service of people in various areas throughout the province.

Australia

Evans on Mideast Peace Agreement, PLO Issue

BK1009113793 Melbourne Radio Australia in English 0830 GMT 10 Sep 93

[Text] Australia says it warmly welcomes the agreement on mutual recognition between Israel and the Palestine Liberation Organization. Prime Minister Paul Keating has described the agreement as an exciting and historic breakthrough, saying it will end 30 years of unbroken hostility. Foreign Minister Gareth Evans has also indicated that Australia is preparing to step up its contacts with the PLO, which have been maintained at a low level since May last year. Senator Evans gave his reaction on the Middle East breakthrough to reporters in Canberra a short time ago:

[Begin recording] [Evans, in progress] ...it certainly have. This is a very significant breakthrough. It created the condition where there now can be, clearly, serious face-to-face negotiation on all the outstanding issues, and with the major achievement now behind the parties, these things haven't happened for a very long time. [sentence as heard]

[Unidentified reporter] What are your views on the prospects for violent unrest in Israel, particularly from the settlers?

[Evans] Well, that's obviously continuing toward the concern, but what does seem to be the case is the peace process and this latest development does have very strong majority support not only in the parliament but from majority of the Israeli population. I think people in Israel, overall, recognize that this is the historical chance that everyone has been waiting for; this is the way forward; that every other alternative approach is just destined to produce decades more of conflict and bloodshed, and I hope that view will prevail.

[Reporter] And the silent majority will be right behind this...

[Evans, interrupting] I think that's the evidence and certainly we've all got our finges crossed that that is so.

[Reporter] Will Australia be moving quickly to recognize the PLO formally?

[Evans] We're not going to recognize the PLO as a state—as a sovereign entity—manifestly it's not. We've been very cautious about, in the past, recognizing the PLO as the representative of the Palestinian people. But I think in the light of these developments, this breakthrough, now this willingness of the Israelis to negotiate directly with them, then we of course would follow that lead. It's a matter of going through some formal processes that will allow me to make a formal recommendation to the cabinet, but I don't think there'll be any doubt about the outcome.

[Reporter] [question indistinct]

[Evans] That doesn't make any difference in terms of the practical way which we're talking with the PLO, which we've been prepared to do for some time now, and clearly it's not going to make any difference to the course of the negotiations. The truth of the matter is that the veil has been lifted, and the PLO is the organization which is conducting the negotiation. That's been the case—now it will be out in the open, and I think that's in everybody's interest. [end recording]

Talks Held With Japanese Defense Official

BK0609101893 Melbourne Radio Australia in English 0800 GMT 6 Sep 93

[Text] Australia and Japan are holding talks in Canberra, the first of what will become regular meetings between senior defense officials of the two countries. Graeme Dobell reports that the talks involved the administrative vice minister of Japan's Defense Agency and the secretary of the Australian Defense Department:

[Begin Dobell recording] Australia's Tony Ayers and Japan's (Shigiro Hadikayama) met for what is described as an exchange on strategic and policy issues. The talks between the two defense department heads covered Asian regional security, United Nations peacekeeping and the Cambodia experience, and the continued United States military presence in Asia.

The meeting is the first of its kind following an agreement last year between Australia and Japan that senior officials should have a more frequent defense dialogue. It's part of a slow expansion of Canberra's relatively low-key defense contacts with Tokyo. Mr. (Hadikayama) also had talks with Australia's defense minister, Robert Ray.

The top Japanese defense official is visiting major Australian defense projects, including the submarine corporation in Adelaide and the over-the-horizon radar facility in Northern Australia. [end recording]

Solomon Islands

Foreign Minister Postpones Papua New Guinea Visit

BK1309091093 Melbourne Radio Australia in English 0500 GMT 13 Sep 93

[Text] The Solomon Islands' Foreign Minister Francis (Saimala) has put off an official visit to Papua New Guinea [PNG] at the request of the Port Moresby Government. Mr. (Saimala) was to have travelled to Port Moresby at the weekend, but the visit was deferred at the request of PNG Foreign Minister John Kaputin.

PNG high comissioner in Honiara, Frank (Niro), told PAC News that the postponement was due to the death of the wife of former prime minister, Rabbie Namalui. He was a relative of Mr. Kaputin.

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[Text] **Question 1: How is the U.S. response to the GATT agricultural talks changing since the advent of the Clinton administration? Also, how does the JA Group [Japan Agriculture Cooperative Group) predict the trend of the negotiations, and what kind of movement will it develop?**

It may be said that the basic U.S. policy of furthering liberalization of trade in not only goods, including industrial products and agricultural products, but also in services, including finance, insurance, and transportation, has not basically changed in trying to bring the Uruguay Round to a successful conclusion for the expansion of U.S. exports.

Meanwhile, regarding Japan's continously rising trade surplus, the United States strongly demands numerical targets toward an open market in autos, auto parts, and computers. It also takes the posture of pursuing managed trade, which is counter to GATT's principle of free trade.

While the new administrations's trade policy has still not been solidified, it has increased its pressures of an "emphasis on results," particularly vis-a-vis Japan.

Under these circumstances, a subtle change has appeared in the new administration's response to the Uruguay Round.

Clinton Administration's "Emphasis on Results" in the Uruguay Round

For example, U.S. Trade Representative Kantor has continued to publicly stress the need to revise the Dunkel resolution and has particularly reacted strongly to any weakening of the unique U.S. trade act with its Super 301 clause and antidumping controls. Also, with a view to reopening the Uruguay Round negotiations which have been halted completely since January 1993, the Clinton administration has adopted a clear stance of achieving "visible results" in the area of market access prior to the 7-9 July Tokyo summit, including a hike in customs duties on mining industrial products and an easing of regulations concerning the services trade. With this as an opening, it purports to take the lead toward an agreement in the overall Uruguay Round talks after the summit and before yearend.

Consequently, in the area of agriculture, there is a reported view that a specific agreement was reached with the EC last November on a reduction of export subsidies and domestic protection, and that issues of continuing disagreement with the EC will perhaps be postponed until after the summit. However, since mid-May, the United States and the EC have been conducting intermittent discussions at the working level concerning duties on agricultural products, and the two sides cannot be said to have halted debate on the agricultural issues.

Meanwhile, on the separate trade issues with Japan and the EC, the Clinton administration is seeking solutions advantageous to the U.S. side, and is beginning to show a strong stance of emphasis on results while hinting at the use of retaliatory steps.

It is surmised that providing the backdrop were such circumstances as domestic problems of deep concern to the American people, including reducing the fiscal deficit and reforming the health and insurance system—regarding which coordination with Congress was not going smoothly—the desire to achieve results in trade issues, and the need to meet the expectations of the industrial circles that had given support during the presidential election.

There is also a reported observation that the continuing decline in support for President Clinton as shown in recent public opinion polls has strengthened the demand within government for a tough trade policy and early and concrete results.

In these circumstances, U.S. political and financial circles are showing mounting concern about reducing the growing trade deficit with Japan. The Clinton administration is expected to further strengthen its posture of gaining some kind of "results" prior to the Tokyo summit hosted by Japan, regarding not only individual trade issues such as autos, but also regarding market access for its "goods and services."

Market Access Talks To Become Key to Progress

Efforts to find a breakthrough for progress in market access talks—centering on a lowering of customs duties on mining industrial products and agricultural products and processed goods—were also made from last yearend to early this year between the previous Bush administration and the EC committee, which ended in failure, and negotiations in this area are reportedly not easy. Therefore, although some kind of progress may be seen before the summit, predictions by the experts are divided as to whether there will be sudden progress in the talks in the 15 areas of the Uruguay Round immediately following the summit or before yearend under new GATT General Secretary Sutherland (born in Ireland), who will assume his post on 1 Jul, and whether an agreement can ultimately be reached in the overall Uruguay Round.

Consequently, at this point the following scenario is hypothesized as an evolving pattern for future negotiations.

1. The negotiating authority concerning GATT given by Congress to the U.S. Government (the fast track) expired at the end of May 1993, and the government requested an extension of the fast track premised on an agreement in the Uruguay Round by 15 December 1993. This extension will be granted prior to the summit, and the negotiations on market access will move forward rapidly, particularly between the United States and the EC. Progress will be highly evaluated at the summit. Agreement in the Uruguay Round by yearend will be demanded more vigorously than ever, compromises between the principal nations through talks in every area will be made after the summit until the yearend, and final agreement will be reached by yearend.

2. U.S. congressional deliberations on the extension resolution will meet difficulty regarding the conditions

for extension of the fast track, such as restoration of the Super 301 clause. "Visible results" in the area of market access will not materialize before the summit, but a declaration will be made at the summit, hoping for progress in the overall Uruguay Round talks and an agreement by yearend. Subsequently, however, disputes will continue over individual problems of the United States, the EC, and Japan, and the Uruguay Round talks will again be carried over to the following year.

Accurate Situation Analysis and Development of a Movement Under the Previous Policy

An accurate forecast of the flow of future talks continues to be difficult. However, it is necessary to focus for the time being on the in-depth compromises made on market access by the principal nations at the Tokyo summit, and whether progress in the aspect of access will bring an important breakthrough for overall and rapid progress in the subsequent multilaterial talks in Geneva.

The JA Group believes it is extremely important to continue to work on an accurate analysis of the situation concerning the realities of the negotiations in not only the area of agriculture, but also in the overall Uruguay Round, and simultaneously to maintain the following policies.

1. Regardless of the kind of agreement reached between the U.S. Government and the EC committee, we absolutely cannot recognize use of an agreement that is based on priority profit for the agricultural exporting nations as the basis for agreement by the GATT member nations as a whole.

2. We will resolutely reject any sacrifice of Japan's agriculture for the sake of the Uruguay Round's success, such as accepting customs duties without exception and opening up the rice market.

3. We must begin negotiations from this point on for a revision of the Dunkel resolution in order to establish fair trade rules.

Based on the above considerations, the JA Group will, for the time being, base its activities on the following key points, and develop a strong nationwide movement to protect not only rice, but also Japan's agricultre as a whole.

1. We will hold an agriculture summit in Tokyo in Tokyo during 4-5 July to strengthen the international bond among those involved in agriculture, and also to reflect their true views at summit conferences of the advanced nations.

2. We will aggressively develop study activities concerning the state of the Uruguay Round talks and the contentions of people engaged in agriculture in the various nations. We will also continue to promote the people's movement by strengthening our bond with the "farmers associations," in order to seek understanding and support from the various classes of people.

3. Anticipating a long and drawn-out battle, we will constantly maintain a posture of preparedness to swiftly cope with any sudden changes in the situation.

(JA Zenchu Agricultural Administration Division, Agricultural Administration Section)

Question 2: Measures by the JA Group regarding the "new policy" were decided in May. Specifically, what does it purport to do, and how?

Regarding the development of the "new policy" and the measures by the JA Group (hereafter referred to as the "JA Group measures"), the JA Group has proposed several specific steps based on the government's direction in developing its "new policy" during a future period of about a decade.

Consequently, the group will grapple hereafter with the implementation of the proposed measures. For the time being, based on the "table of steps to be implemented by stages and periods" of the "JA Group measures," we hope to promote our goals according to two separate classifications, which are: 1) goals to be achieved within two years, and 2) goals to be achieved within three to five years.

Goals To Be Achieved Within Two Years

As "goals to be achieved within two years" regarding the following individual tasks proposed in the "JA Group measures," we will prepare drafts for a promotional policy and a promotional manual at the national level and will establish appropriate reviewing organs by the end of September 1993. We will render decisions on them successively as JA Group policy by the end of December and work to implement them.

The JA Group's "Policy on the Formation and Promotion of a Concept on the Future of Agriculture and Farm Communities"

In order to respond to the development of the "new policy" and to promote the advancement of regional agriculture and regional vitalization, it is necessary for the organization to indicate its direction of subjective priority measures for the coming decade concerning its policy of cultivating farm workers in the regions, its policy on farmland fluidity and its policy on regional vitalization.

Toward that end, the JA Group will use the concepts and policies of the prefectures, cities, towns, and villages as reference, and draft future concepts for the prefectures and farm communities at the prefectural and JA stages.

The JA Group's "Policy on Drafting, Supporting, and Promoting the Farm Community Improvement Concept"

The JA will cooperate with cities, towns, and villages regarding regional agriculture in the farming communities. It will share pointed references on colored maps regarding farm labor and land-use trends five to 10 years hence. It will also promote regional agriculture without causing abandonment of cultivation, and work to draft and implement a farm community improvement concept by which the appropriate type will be selected for each community—using as reference such advanced types as the individually operated and upscale kind, the community-operated farm, the collective farm, the corporate farm, and the JA's directly managed type—to indicate the ways and systems by which regional agriculture can be promoted without incidences of abandoned cultivation.

We will therefore institute the following policies.

1. Form a policy on the drafting, support, and promotion of a farm community improvement concept.

2. Publish a manual on the drafting, support, and promotion of a farm community improvement concept (plan).

3. Compile advanced cases of farm community improvement concepts (plans).

The JA Group's "Policy on Promotion of an Internship System for the Training of Workers"

In order to secure workers for regional agriculture, it is necessary to cooperate with cities, towns, and villages in offering guarantees of status and housing to offspring of farm families and new farmers from nonfarming areas, and to prepare conditions for their entry, such as training. It is also necessary to promote the establishment of an internship system with a support structure that includes the leasing and acquisition of farmland and machinery at the outset, as well as technical guidance.

Toward that end, we will prepare the following policies.

1. Form a policy on an internship system to cultivate workers for agriculture.

2. Prepare a manual to promote an internship system for the cultivation of workers for agriculture.

3. Compile sample cases of advanced internship systems.

The JA Group's "Policy on the Cultivation, Support, and Promotion of Agricultural Corporations"

In order to plan management at a higher level that transcends family management, or to guarantee holidays and build up a social insurance system, it is necessary to incorporate agricultural management.

However, in promoting incorporation, it is necessary to consolidate the conditions for it, including securing the advantages of the agricultural corporation, cultivating personnel to lead the corporation, and building its capacities as a JA Group business project.

The JA Group will promote incorporation successively, with progress in the preparation of those conditions as a premise, and will prepare the following policies.

1. Form a policy on the cultivation and support of agricultural corporations.

2. Prepare a manual on the cultivation and support of agricultural corporations.

3. Compile sample cases of agricultural corporation operations.

JA Group's "Policy on Promotion of Direct Sales and Processing of Agricultural Products and Restaurant Businesses"

In order to increase farm household incomes and create regional employment, an aggressive posture is necessary to raise added values in the processing and sales of agricultural products.

Therefore, we will promote the establishment and operation of farm product processing plants, direct sales outlets, distribution centers, restaurants, and agricultural tourist parks. We will prepare the following policies.

1. Form a policy on promotion of direct sales and processing of agricultural products and restaurant businesses.

2. Prepare a promotional manual including the following:

—Direct sales outlets for agricultural products (morning outdoor markets, evening outdoor markets) and establishment and operation of distribution centers

—Establishment and operation of community fields (already in place)

—Establishment and operation of public viewing gardens

—Farm product-processing businesses (already in place)

—Restaurant businesses

JA Group's "Policy on Promotion of Environmental Conservation Measures"

Today, coping with the environmental problem is an unavoidable task for the JA Group. It is necessary as its own task to demonstrate all land and environmental protection functions relative to agriculture, to introduce environmental conservation-type agriculture, to grapple with aspects of environmental protection in such areas as distribution, including simplified ground distribution and wrapping, regional environment beautification and landscape preservation, and environmental conservation in resource-saving projects and operations.

For these purposes, the following policies will be prepared.

1. A policy on promotion of environmental conservation measures

2. A manual on promotion of environmental conservation

—Promotion of environmental conservation-type agriculture

—Promotion of trading in organic farm products

3. Compilation of sample cases of coping with environmental conservation

In addition, for the individual tasks proposed in the "JA Group measures," research and reviews will be advanced regarding urgent and necessary items.

Goals To Be Achieved Within Three to Five Years

Regarding the "goals to be achieved within three to five years," in view of the 20th JA conference to be held in October 1994, the trend of the government's "new policy"-related measures, the circumstances of the implementation of the resolution at the 19th National Nokyo [Agricultural Cooperatives] Conference and the circumstances of coping with the "JA Group measures" will be reviewed. Based on this, the implementing methods for the individual tasks proposed in the "JA Group measures" will be reviewed as a link in forming the resolution for the 20th conference. The findings will be submitted in the conference resolution for implementation.

Grappling With Concrete Implementation

The government is already moving forward on the compilation of the FY93 national budget, revision of the system, and revision of the Farmland Act and Agricultural Cooperatives Act in order to realize the "new policy." The JA Group is also faced with a need to respond beginning this fiscal year.

Consequently, the various organizations of the JA Group will grapple with the practicable items based on the direction of the "JA Group measures."

Also, the JA Group's subjective approach will be basic in the concrete formulation of the "JA Group measures." However, understanding, cooperation, and support by the government and Diet and the local self-governing bodies will be indispensable.

In addition, a broad understanding and cooperation from the various circles and classes of people is necessary for environmental conservation measures and regional vitalization measures.

Therefore, based on the condensed views contributed at various stages through the "JA Group measures" and organizational discussions, the JA Group will contact the government and Diet and local self-governing bodies and assemblies regarding concrete implementation of the "new policy." It will also develop a vigorous public information campaign to seek understanding of the JA Group's contentions and measures among such opinion leaders as consumer groups, scholars and researchers, the mass media, economic circles, and labor organizations.

(JA Zenchu Basic Agricultural Administration Policy Office, Policy Section)

Question 3: What kind of views were submitted during the organizing discussions of the "JA Group measures"?

At the organizing discussions, the agenda for the "JA Group meassures" was divided into 40 review items, and pro and con deliberations were held on each item. There was also a report from each prefecture on the results of the deliberations.

In the resulting ratios of pros and cons for the 40 policy items, agreement ranged from a low of 84.4 percent to a high of 99.6 percent. However, many supplemental views were also submitted. In particular, both pro and con views were submitted about the following: 1) production coordination, 2) target management scale, 3) internship system, 4) promotion of incorporation, 5) acquiring the qualifications for incorporation in order to rationalize farm holdings, 6) management of agriculture by the JA, and 7) the Rice-Growing Fund. Previously, there were predominant views in opposition or deferment of opinions concerning those items.

Items Most Frequently Opposed or With Opinions Deferred

For example, for point 1, regarding production coordination, there were such views as: "we should study the possibility of cutting production," or "it is realistically impossible to depend on the management entity's subjective judgment, and therefore production coordination based on the previous rate of allocation is necessary."

Also, for point 2, regarding the target management scale, the "JA Group measures" propose a composite management of five to 10 hectares as one of the goals. However, there are views that "even five to 10 hectares will be difficult in many cases," and "it is necessary to establish a detailed target corresponding with regional conditions."

For point 3, regarding the internship system, there were such views as: "It is necessary to put in order the tasks concerning establishment of the system and to prepare an entry system," and, "in the present circumstances, management by the JA is difficult." For point 4, regarding promotion of incorporation, a view has been advanced that "it is necessary to cultivate talent to lead the corporation and to clarify the JA's business approach."

For point 5, regarding the incorporation of rational farmland holdings, such views have been expressed as "the JA should independently manage farmlands," and "it is necessary to independently implement the use and control of farmlands." For point 6, regarding the management of agriculture, there were views that "it is necessary to secure systemic support and personnel including a labor force," and "it is realistically difficult and the present environment is not appropriate." Finally, for point 7, regarding the Rice-Growing Fund, submitted views point out that "adequate discussion of the content and reexamination of the organization based on concrete proposals are necessary," and "the fund should be handled by the government."

Principal Views by Measures

Also, regarding the comprehensive measure, individual measures, and measures promoted by the JA Group, the principal views submitted are as follows.

Comprehensive Measure

The comprehensive measure includes mainly items concerning the government's policy framework, such as the agenda for review, including elucidation of national borders, coordination measures, and production goals; an agricultural act seeking clarification of medium- and long-term policies; differentiation between domestic farm products; establishment of local self-government; and formation of a people's consensus. The principal views are as follows.

—Efforts are necessary to establish new rules on trade in agricultural products based on the "Geneva declaration."

—A reexamination of the existing legal system relative to the agricultural act should be promoted.

—The country of origin for imported agricultural products should be displayed without exception.

—It is necessary for local self-governing bodies to clarify their independent direction of agricultural administration.

—Measures are necessary to enhance the teaching of agriculture in school education.

—It is necessary to seek new imposition of environmental conservation taxes.

—The goals of the JA Group's agricultural administration activities should be made easily understandable to the producers and consumers.

Individual Measures

The agenda of reviews for individual measures consists of concretely proposed measures centering on the JA Group's subjective approach, including production measures, measures for cultivation of responsible workers, and management entities, land measures, processing and distribution measures, environmental measures, and regional measures.

Production Measures

—In order to establish strategic goals and management patterns, a planning organization comprised of the JA, the administration, and the farmers will be installed.

—It is necessry to establish short and long-term goals based on the characteristics of the regional agriculture.

—Production coordination will be based on the principle of the right crops for the right farms, taking into consideraion the characteristics of the region's agriculture.

—It is necessary to secure profits for crop conversion through price policies and supplementary incomes.

Measures for Cultivating Managers and Management Entities

—The income target of management should not use the pay for JA personnel as the yardstick, but the pay for public employees.

—Price and income targets are necessary to realize production and income goals.

—Systemic support is necessary to establish the target management scale.

—Powerful support by the administration is necessary to plan farm community improvement concepts.

—Systemic support that has advantages for the offerers of farmland is necessary.

—It is necessary to ease conditions for farmland acquisition by nonfarmers who take up farming, and to subsidize them with land acquisition funds.

—It is necessry to increase reviews of the negative aspects of incorporation.

—It is necessry to expand subsidies for JA office expenses as a corporation engaged in rationalization.

—Further systemic support measures are necessary for coordination of farmland use.

—Systemic support is necessary for JA's agricultural management.

Land Measures

—Farmland is treated as an asset by the government by imposing inheritance taxes and fixed-assets taxes. This should be revised to a tax system that is more appropriate for agriculture.

—Urban zoning regulations should be more strictly enforced.

—It is necessary to review regulatory measures concerning farmroads and waterways that result from scale expansion.

Processing and Distribution Measures

—Establishment of a diversity of sales routes is necessary.

—Promotion of understanding among consumers and cooperation with the parties involved are necessary to reduce distribution costs.

—Given the increase in the producer's burden by applying the national stamp of approval, a similar stamp should be used on imported products.

—A prohibitive measure against unfair distribution of rice is necessary.

Environmental Measures

—Systemic support is necessary for farm households and the JA, which strive for environmental conservation-type agriculture.

—Lifestyle viewpoint that addresses environmental protection, such as a measure banning river pollution from sewage, is also important.

—The Rice-Growing Fund should also seek contributions from consumers, other cooperatives and producers.

Regional Measures

—It is necessary to display the management type, to build a leadership system and to improve the farmland base in order to promote agriculture in semimountainous regions.

—It is necessary to consider the negative aspects of intraregional agriculture.

—It is necessary to improve the life environment that depends largely on administration, and to properly share functions with the JA.

—Regarding the "JA Group measures," the proposal for concrete measures of the Japanese-style income policy is inadequate and requires review.

—Administrative support such as appropriate system management is necessary for the development of community farms.

The foregoing are the principal views submitted.

Promotional Measures for the JA Group

The agenda of reviews on the JA Group's promotional measures consists of the buildup of a system to meet the measures proposed in the comprehensive measure and individual measures, in addition to a comprehensive promotional measure that includes concepts on the future of agriculture and farm communities and concepts on the improvement of farm communities.

—Adequate organizing discussions are necessary in the planning of concepts.

—Demonstration of functions such as cooperation with new businesses and JA leadership is demanded of central associations/federations.

—A continuing review of concrete measures is necessary.

—Conformity with the direction of organizational improvement must be sought.

The above are the principal views submitted.

In future steps concerning concrete measures, it is necessary to take the above views into full consideration.

(JA Zenchu Basic Agricultural Administration Policy Office, Policy Section)

Question 4: Revision of the legal system relative to the "new policy" is being promoted. How can the JA Group make use of it?

The most important aspects of the enactment and revision of the legal system relative to the "new policy" are the so-called three bills. They include 1) the bill to strengthen the agricultural management base pertaining to the nurturing of management entities and the liquidity of farmlands; 2) the special bill on farm and mountain villags centering on vitalization of semimountainous regions; and 3) the bill to promote mechanization of agriculture with an emphasis on technical development of farm machinery for areas lagging in mechanized production of vegetables, for example.

It is necessary for the JA Group to fully utilize the systemic framework accompanying enactment of these bills, and to aggressively implement the role expected by the regions.

Legislation To Strengthen the Agricultural Management Base

The bill to strengthen the agricultural management base seeks the integration, revision, and enactment of seven laws with the aim of "fostering efficient and stable agricultural management entities with a superior sense of management," and of "establishing an agricultural structure wherein such entities will take leading production roles." Steps are being taken to establish a system to authorize management improvement plans, to expand projects to rationalize farmland holdings, and to provide support toward agricultural production corporations.

Establishment of an Authorization System for Management Improvement Plans

The purpose of the authorization system for management improvement plans is to concentrate support measures based on the agricultural management improvement plan formulated by those engaged in agriculture. The measures include allowing authorized parties the consolidated use of farmland, easing tax burdens on premium depreciation of machinery and facilities, and facilitating securement of management-related training and labor forces. A large-scale management entity will thus be fostered.

Recognizing that "workers should be cultivated in the farm communities based on agreement by the communities," the JA Group hypothesizes the condition of the communities five or 10 years hence within the "JA Group measures." It proposes the "farm community improvement concept" that will indicate the direction of the workers and land use, and the establishment of an "agricultural land-use coordinating committee" as a mediator organ to consolidate the functions of such regional agricultural organizations as agricultural commitees, the JA, and land improvement district organizations, and also seek accumulation and equalization of farmlands. It is necessary for the JA to aggressively seek cultivation of workers through such an arrangement.

Expansion of Projects for Rationalization of Farmland Holdings

Also, given the expanded authority of the farmland holdings rationalization corporation, it has become possible to engage in agricultural management projects with the purpose of training which utilizes intermediate functions of farmland holdings in paddy and dry-field types of agriculture.

Concretely, farming with the purpose of securing a special acreage of land will be possible, such as 1) farmland use as a "stop-gap" until a cadre can be found, 2) operating a farm until the farmland is accumulated above a specific acreage, 3) operating a farm with the purpose of educating and training novice farmers, 4) operating a model farm in order to form productive lands, and 5) efficient operation of facilities to promote acquisition of qualifications and efforts to secure farm conservation/control and workers.

In additon, regarding facility-type agriculture such as cattle farming and institutional horticulture, the management of model farms has been authorized in order to form managed farms and productive lands with the purpose of educating and training novice farmers. It is also necessary to aggressively vitalize such types.

Support Measures for Agricultural Production Corporations

Generally speaking, an agricultural production corporation is designed for large-scale farming, and a large initial investment is necessary (50 million yen is considered necessary for institutional horticulture and about 100 million yen for dairy farming). In this legislation, the component conditions for the agricultural production corporation are eased, and the way has been opened for capital investment in the corporations by the JA and the Federation of Cooperatives. It is necessary for the JA and the federation to promote the use of these functions, to foster the development of the agricultural production corporation and to work for high added-values in agriculture.

Legislation on Specific Agricultural and Mountain Villages

The legislation on specific agriculturral and mountain villages focuses on semimountainous regions (specific agricultural and mountain villages), which have inferior geographical conditions and agricultural productivity conditions. It seeks recovery of regional vitality such as better employment opportunities by vitalizing projects centering on the agriculture/forestry industry and other projects.

Under this law, the steps taken include: a low-interest loan system, a special exemption for the transfer income from the transfer and establishment of farmland rights, a depreciation relative to display and sales facilities and agriculture/forestry training facilities.

In particular, the system—which grants loans at low interest and supplies interest during the induction of new crops for the improvement and stability of farm operations in semimountainous areas—applies JA funds as "improvement and stability funds for operations in semimountainous regions." Aggresseive use based on regional circumstances is necessary.

However, due to the nature of the funds, further support measures and smooth implementation of a guarantee/insurance system are indispensable. It is necessary to aggressively seek such a measure.

Agricultural Mechanization Promotion Act

Finally, particularly amid the demand to mechanize dry-field cultivation and the vegetable sector, the revision of the agricultural mechanization promotion act is intended to provide government guidance from the testing-and-research stage to technical development in order to suppress the high costs of technical development and agricultural machinery in areas where mechanization by private companies and agricultural organizations is difficult due to the cost factor. Also, as a measure to enable developed agricultural machinery to be widely used, steps are concurrently being taken to revise the taxation special measures act.

It is also important for the JA Group to have the JA organizations in the producing areas participate aggressively in technical development and to utilize the results.

(JA Zenchu Basic Agricultural Administration Policy Office, Policy Section)

Question 5: Recently, a reexamination of the food control system has frequently been debated. Why is it? How will the JA Group respond to it?

Regarding the debate on reexamination of the food control system, views are expressed from generally three standpoints. One is the position of the financial circles. The second is the consumers' position. And the third is the position of the producers. In addition, the labor unions, the scholars, and the government institutions frequently issue statements on food control. The majority of the statements lean toward any one of these three positions.

Positions of Debate on Reexamination

First, the characteristics of the views from the standpoint of the financial circles are as follows. They consider the financial burden of the food control system as a problem, and urge reduction of control. They think of the price differential of rice at home and abroad as a problem, and call for a lowering of the domestic price. To accomplish this, they demand easing of controls under the law and liberalization.

The characteristics of the views from the standpoint of the consumers are as follows. Desiring low-priced, tasty, and safe rice, they consider rigid distribution as a problem and demand easier controls on the one hand, while stressing the need for stronger measures to ensure safety. Also, the views on pricing indicate a stand similar to that of the financial circles. In effect, they do not limit their demand to safety alone, but stress safety and stability.

The characteristics of the views from the standpoint of the producers are that a problem exists concerning the controls in the production and sales aspects which hamper the free activities of the producers, and they demand an easing of restrictions in those areas.

Debate on Reexamination and Significance of the Food Control System

The food control system is a system that specifies rice distribution and enables a stable supply through total control by the government, including export and import. Of course, rice is the main staple of the people, and it forms the core of a necessary food policy. Also, the system enables the domestic self-supply of rice.

Some of the views in the financial circles regarding a reexamination of the food control system stress the difference between the eral background at the time the system was established and the present circumstances, and they contend that the system is no longer necessary.

However, under the present circumstances where the self-supply ratio of food is less than 50 percent on the basis of calories, the future maintenance of the self-supply of rice is a national problem facing Japan where rice is the main staple. Also, rice with its extremely inelastic demand is susceptible to sharp price rises and falls from even the smallest supply shortage. Therefore, in order to distribute rice at stable prices, it is necessary to maintain stockpiles and simultaneously to eradicate speculative trading.

Meanwhile, some of the producers debating a reexamination of the food control system contend that the maintenance and expansion of management is possible in free competition without a control system, and they urge liberalization of production and sales, including the abolition of the crop-conversion policy. Their aguments are frequently used by the financial circles in the debate on reexamination.

However, the price standards of independently distributed rice and freely priced rice are supported by government rice prices. They are also formed within the domestic demand and supply framework, and will inevitably drop drastically if the food control system is abolished and imports are liberalized. Also, while those who are against crop conversion often benefit the management, they are merely obtaining unfair profits in a demand and supply environment created by the nation's producers who implement crop conversion.

Direction for Reviews Demanded

However, a look at the background for the necessity to grapple with demand and supply balancing measures by systems and uses, or at the expansion of "free" rice, indicates that the present food control system does indeed contain numerous problems, and the JA Group must conduct a subjective review.

Also, a reexamination of the food control system must be directed toward a full evaluation of the present role played by the system, and toward further strengthening that role.

(JA Zenchu Paddy Farming Measures Division, Paddy Farming Section)

Mongolia

Daily Reports on Health Insurance Plan

OW2008150093 Ulaanbaatar MONTSAME in English 1322 GMT 20 Aug 93—FOR OFFICIAL USE ONLY

[Text] Ulaanbaatar, August 20 (OANA-MONTSAME)—The newspaper "ARDIYN ERH" informs that at the last meeting of the Mongolian Government it was decided to shift to a system of health insurance medical system since 1 January 1994.

The government also approved the charter of the National Council of Medical Insurance and appointed its chairman.

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